

On stream On time On site with Capper-Neill

FINANCIAL TIMES

CHESHAM Our business is merging your business. Successfully.

NEWS SUMMARY

GENERAL Angry Tikkoo to leave U.K. Commercial profits at the press heading for a structural gain...

Business New rise in gilts; equities falter. Gilts made further gains, encouraged by hopes for an early cut in Minimum Lending Rate...

Callaghan hints at concessions in Phase Three. The Government is to undertake a review of its involvement in the £1.3bn reconstruction of British Leyland...

State involvement in Leyland plan to be reviewed. A meeting between Lord Ryder, chairman of the NEB, and Mr. Eric Varley...

Renewed union bid to resolve dispute. ENGINEERING UNION leaders yesterday made a new attempt to resolve the unofficial toolroom strike at British Leyland...

U.S. charter for S. Africa black labour. SEVERAL U.S. corporations are backing a controversial new programme to promote civil rights for the black employees of their South African subsidiaries...

BP and Shell accused. Allegations that British Petroleum and Shell have been indirectly involved in breaking sanctions against Rhodesia...

Scotland Yard officer swears. Scotland Yard officer swears that a former Communist Party member, who has been accused of supplying merchants and some shop owners...

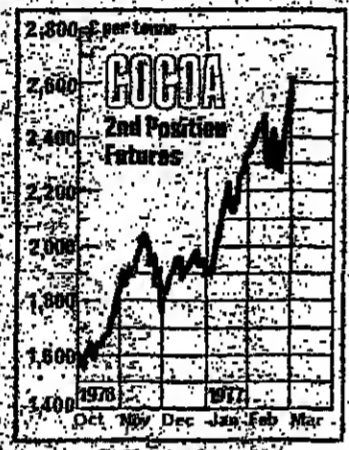
Waller shooting. A shooting party in the grounds of the Old Bailey, where four other former police officers and one suspended here are variously accused of counts of conspiracy and conspiracy involving more than 100 people...

Min retreats. President Amin in an apparent mood to leave the country, and to return to his home in the Sudan, has been summoned westward indefinitely...

Student sit-ins. Students were last night occupying at least six universities and colleges in a protest against today's day of action by the National Union of Students...

Garden search. Police investigating the deaths of Prestbury, Cheshire, Williams and Glyd's bank branch sub-manager and girl clerk yesterday dug the garden of a Macleodfield house...

Drug hauls. Hull Customs officers have found 850lb of heroin in a van worth about £250,000 in the hold of the Nigerian ship Ahmadu Tiani...



COCOA 2nd Position Futures. Prices in pence per tonne.

WALL STREET. U.S. Treasury bill rates at 7.08 per cent, 4.93 per cent, 4.57 per cent.

ROYALTIES from the production of U.K. oil and gas yielded £26.8m last year.

BRITISH NUCLEAR FUELS received planning approval for a £295m investment at its Windscale factory.

EEC granted subsidies of £44m to cheap hatter exports just before taking emergency measures...

BARCLAYCARD is introducing a company card under which employees can use a Barclaycard to cover expenses...

MORRIS rejects higher offer. BARCOCK AND WILCOX has raised its offer for Herbert Morris by 25p to 145p cash a share...

NATIONAL WESTMINSTER BANK increased pre-tax profit by 80 per cent last year to £167.77m.

UNILEVER boosted pre-tax profit last year to \$605.1m (£238m.) on sales of \$5.7bn (£265m.).

Table with 2 columns: Item and Change. Includes Treasury 3% 1982, BTR, Beecham, Restobel, etc.

Table with 2 columns: Item and Change. Includes Scott and Cont. Inv., Smith (W. H.), etc.

France may agree to EEC export credit guidelines

OFFICIALS in Brussels said today that they were 99 per cent certain that an EEC Finance Ministers' meeting on March 14 could agree on Community guidelines on export credit. The minimum interest rates for these categories are 8 per cent for the rich, 7.75 per cent for the intermediate, and 7.5 per cent for the poorest...

Beecham in \$82m. U.S. deal

BEECHAM GROUP, the U.K.-based pharmaceuticals and consumer products group, is to buy for \$82m. the Calgon consumer products subsidiary of Borden and Co., the big U.S. pharmaceutical company. Beecham's existing North American consumer products interests, with sales of about \$50m. in the U.S., are mainly toothpaste, hairdressing and feminine hygiene products...

Bid rejected

Standard Chartered Bank's bid for the Bank of California has been rejected by the bank's parent company. Back Page

Table with 2 columns: Item and Change. Includes Appointments, Letters, Society Today, etc.

U.S. charter for S. Africa black labour

SEVERAL U.S. corporations are backing a controversial new programme to promote civil rights for the black employees of their South African subsidiaries. General Motors and International Business Machines, who are playing a leading role in the campaign, have submitted a six-point programme on reform to the U.S. Government...

BP and Shell accused

Allegations that British Petroleum and Shell have been indirectly involved in breaking sanctions against Rhodesia are to be raised in the Commons today and are likely to be discussed at a BP board meeting to-morrow.

Scotland Yard officer swears

Scotland Yard officer swears that a former Communist Party member, who has been accused of supplying merchants and some shop owners with stolen goods, is a Communist Party member.

Waller shooting

A shooting party in the grounds of the Old Bailey, where four other former police officers and one suspended here are variously accused of counts of conspiracy and conspiracy involving more than 100 people, was disrupted by a shooting party.

Min retreats

President Amin in an apparent mood to leave the country, and to return to his home in the Sudan, has been summoned westward indefinitely.

Student sit-ins

Students were last night occupying at least six universities and colleges in a protest against today's day of action by the National Union of Students.

Garden search

Police investigating the deaths of Prestbury, Cheshire, Williams and Glyd's bank branch sub-manager and girl clerk yesterday dug the garden of a Macleodfield house.

THOMSON'S EQUITY & LIFE BROKERS LTD. The Surcharge and Higher Rate Tax. The combination of these taxes leads to top rates of 98p in the pound...



# Death in the afternoon

by CHRIS DUNKLEY



Down on Emmerdale Farm (Yorkshire TV)

Watching daytime television is like being wrapped in a damp, woolly blanket. It is a blanket of tepid golden light, every pore open and every hair raised as if by some invisible hand. It is a blanket that is as warm as a blanket, but it is also as stifling as a blanket. It is a blanket that is as comforting as a blanket, but it is also as suffocating as a blanket.

The ads are there because the BBC is currently showing a few afternoon programmes for grown-ups. The BBC is currently showing a few afternoon programmes for grown-ups. The BBC is currently showing a few afternoon programmes for grown-ups.

offers some of the better, less predictable moments in daytime television. There may not be anything very profound about watching Mary Parkinson looking incredulously but murmuring "Mrs. Hicks" as Hicks rips a radiolux apart and scatters the moribund shreds in what he calls a "dash bowl" and others call a "fan dish"—but it is a less somniferous than some of the soap operas.

It is in the proportion of time taken up by non-fiction programmes such as this (one best rated by the phrase "current affairs") because a lot of the subject matter is no more current than Hicks' flower that the balance has changed for the better.

have just about the same amount of time devoted to non-fiction even if the programmes differ a little.

Of course if you are an uncommitted nurse or policeman (or for that matter, policeman) off duty, interested in squash or modern jazz, none of this is going to satisfy your special interests. Come in that, if you are other than very dim witted, what little coverage there is of current affairs will often distress you somewhat.

of the better, less predictable moments in daytime television. There may not be anything very profound about watching Mary Parkinson looking incredulously but murmuring "Mrs. Hicks" as Hicks rips a radiolux apart and scatters the moribund shreds in what he calls a "dash bowl" and others call a "fan dish"—but it is a less somniferous than some of the soap operas.

It is in the proportion of time taken up by non-fiction programmes such as this (one best rated by the phrase "current affairs") because a lot of the subject matter is no more current than Hicks' flower that the balance has changed for the better.

# Mrs. Warren's Profession

by MICHAEL COVENEY

Do the young, middle-class idealists of to-day spurn the advantages offered to them by the illegitimate gains of their parents as cold-bloodedly as does Shakespeare's Vivian when he back on a place in society secured by her mother's success with the European chain of brothels? Of course, Vivie is prim to the point of puritanism and is almost naively contemptuous of her mother's natural flamboyance of the family friend's romantic disposition and of young Frank Gardner's silly waddle and ideas of marrying her; but on the far heavier credit side, she embodies the new feminism with its yearning for economic and social independence, its belief in work and its refusal to compromise.

Philip Green's production deals with the themes cleanly and fairly. And the play's ambiguity is never trampled for the sake of a cheap laugh, quite a common trap with trivial Shaw. Just as Trench in *Widowers' Houses* is uncomfortably faced with the fact that his privileged socialism is bought at the price of full-

# Covent Garden Otello

by RONALD CRICHTON

Jon Vickers, having failed to make his peace with Wagner's *Otello*, came again and prepared a new production.

Peter Glossop's commanding bulge of an lagoon is familiar—impressive as before when the voice can justifiably ring out at full strength, less so when it attempts head notes and sly insinuations. He is a staunch, reliable partner to Vickers, but has yet to master the tenor's shilly to turn passing vocal difficulties to extreme expressive purpose (one of Otello's crucial phrases in Act 2 was almost entirely inaudible yet so marvellously vivid). Elizabeth Bainbridge as Emilia—a little too prominent perhaps in the Act 3 ensemble, though this was mainly a matter of positioning—and Gwynne Howell as the Venetian envoy were both strong. As Cassio there was a most promising house debut by Robin Leggate.

# Concerts in aid of the Multiple Sclerosis Society

Two concerts are to be given by the Multiple Sclerosis Society. The first, at St. John's, Smith Square at 8 p.m. on Sunday, March 23, will be given by Julian Lloyd Webber and Yitkin Seow. This will take place on Sunday, March 27 at 7.30 p.m. at the Elizabeth Hall.

# Travesties or Zurich 1917

by OSSIA TRILLING

There could be no more need through the use of backdrops and flanking screens and two of Tom Stoppard's *Travesties* outside 24-hour Swiss clocks whose hands point symbolically to the figures "19" and "17". The production of pictures and most of all, the use of actual photographs of all kinds neatly illustrates or sets off the action; is so much more deliberately exploited than in the earlier productions, to give an added flavour to a theatrical concoction that is largely a reflection of the disorienting old consular official, Henry Carr, that most unreliable eye-witness of what took place in Zurich in 1917.

# Albert Hall

## Frank Sinatra/The Drifters

by ANTONY THORNCROFT

It takes a lot to cause an uprising among the super-rich. It takes, in fact, Frank Sinatra. He had to work for it but by the end of his hour-long stint at the Monday night charity performance at the Albert Hall the furs were on their feet and the looking quite animated.

Sinatra obviously paces himself carefully these days. Sometimes his asides are so casual they fall to reach through a shortened version of some standard, like "My Funny Valentine," choosing the easy options among the notes.

**PORSCHE'S NEW PORSCHE the 924**

All you'd expect of a PORSCHE — except the price!

The Porsche is renowned for its quality, attention to detail and Long-Life ideals.

The 924 is an up-to-date 3-door, 2+2 seater coupé, designed for low maintenance cost and long life—12,000-mile intervals between inspection services—6 year warranty against sub-frame corrosion—25-30 m.p.g. under normal road use. ('Autocar' obtained an overall test consumption of 27.8 m.p.g.) Maximum speed 125 m.p.h. with acceleration to match, 0-60 m.p.h., 8.2 secs. ('Motor' Road Test.)

The large luggage compartment is easily accessible, and full loads do not upset the 50/50 weight distribution—the secret of this car's safe and precise handling. Although of definite sporting character it is both docile and easy to drive. Fully automatic is also available as an optional extra. The 924 upholds the Porsche traditions of providing pure driving pleasure for those who seek it and can now afford it.

The price? 924 four-speed £6,998.94, 924 Automatic £7,449.39, 924 "Celebration" £7,672.86. (Prices do not include number plating or delivery charge which are at the discretion of the dealer.)

An informative brochure is available giving full details of the Porsche advantages — please mention *Financial Times* to ensure your copy.

**PORSCHE CARS GREAT BRITAIN LTD. RICHFIELD AVENUE, READING, RG1 8PH**  
Telephone: 0734-595411 Export: 01-568 8700 Telex: 849180

# Hermann Prey indisposed

Hermann Prey, who was to have appeared with the Orchestra of St. John's, Smith Square, tonight, is indisposed. His place will be taken by Thomas Allen.

# American pianist's London debut

The young American pianist, Barbara Nissman, will make her London concert debut at the Albert Hall on March 11 with Christopher Adey conducting the Royal Philharmonic Orchestra. The programme will be Rossini's overture *La scala di seta*, Rakhmaninov's *Piano-Concerto No. 3* in D minor, Op. 30 and Chaikovsky's *Symphony No. 5 in E minor, Op. 64*.

There could be no more need through the use of backdrops and flanking screens and two of Tom Stoppard's *Travesties* outside 24-hour Swiss clocks whose hands point symbolically to the figures "19" and "17".

EUROPEAN NEWS

Madrid Communist summit security tight

BY OUR OWN CORRESPONDENT

MADRID, March 1.

EXCEPTIONAL SECURITY measures will be mounted by the Spanish police to-morrow for the start of the two-day Eurocommunist summit meeting to be held in a Madrid hotel.

One of the main objectives of the French and Italian delegations will be to show the international support that exists for the legalisation of the Spanish party, which is awaiting a Supreme Court decision on its application.

The Civil Governor of Madrid has banned a meeting planned for to-morrow evening, during which the European leaders were to meet hundreds of party militants in Spain.

Mr. Roy Jenkins, president of the EEC Commission, has urged the French Government to give an enthusiastic response to the expected Portuguese application for Community membership.

THE PARTY IN SPAIN

Aspirations and reality

BY ROGER MATTHEWS IN MADRID

"ONE CAN be Communist and Catholic, and capitalism can live together alongside socialism," says Sr. Manuel Azcarate, a member of the central committee of the Spanish Communist Party.

ing over the fall of President Alierde in Chile in 1973. The conclusion of the most progressive wing of the Spanish party is that Dr. Alierde should have realised that he was not carrying an important part of the country with him, should have gone to the polls, suffered his electoral defeat and "thereby the cause of Socialism through democracy would have been better served than by a bloody Fascist coup."

"except if it interferes in the country's political life, and at least for the moment 'the party accepts the presence of United States military bases in Spain' even though it adds that it is basically opposed to all foreign bases."

desire not to frighten the middle classes. With the words "social pact" on the lips of many industrialists and a few members of the Government, the Communists would obviously like to demonstrate that they alone have the discipline and extensive working class base to make any deal on wages a practical proposition.

most never be frightened to admit mistakes, to give ground, and to take a step back. Its acceptance of a plurality of political parties has meant that domestically the Spanish party has tried vigorously, and successfully, to remain within the main umbrella opposition organisations that are seeking to establish a Western-style democracy.

especially the trade union weight the party claims it has in Spain, that most of its more immediate influence is likely to be felt. During the sixties the workers' commissions, arguably the largest trade union force operating in Spain, were assiduously built up under Communist guidance.

Mr. Jenkins said he had not discussed the sale of surplus EEC butter by a French importer-exporter company to the USSR. However, he added that he thought a balance had to be struck between the disposal of butter within the EEC at subsidised prices on special grounds and its export.

Mr. Jenkins said he had not discussed the sale of surplus EEC butter by a French importer-exporter company to the USSR. However, he added that he thought a balance had to be struck between the disposal of butter within the EEC at subsidised prices on special grounds and its export.

W. German N-expert denies charge

DR. KLAUS TRAUBE, the West German nuclear expert who lost his job last year because of suspicions that he was associated with terrorist groups, denied the charge to-day and attacked the minister of the Interior, Herr Werner Maihofer, for authorising a clandestine buging operation against him.

Snags for EEC in nuclear pact

BY DAVID FISLOCK, SCIENCE EDITOR

A DELICATE diplomatic problem for the EEC has arisen as a result of a new agreement on international safeguards against the proliferation of nuclear explosives which has just come into force between the International Atomic Energy Agency and Euratom, the Common Market's nuclear agency.

general of the IAEA, has described it as the most important event in international safeguards of the last five years. But the EEC's problem is whether to place any restrictions on the nationality of the IAEA's inspectors.

THE IRISH Government, to-day faced angry reactions from the leaders of fishermen's organisations following its agreement in Brussels last night to postpone for a fortnight the unilateral ban on large trawlers that was to have come into effect to-day.

EDINBURGH AMERICAN ASSETS TRUST LIMITED. Policy: Edinburgh American is an investment Trust which pursues a policy of growth of capital through investment mainly overseas, principally in North America where 64% of assets are held. Growth: 1947 to 1976 Share Price Up 1,260% Asset Value Up 820% F.T. Index Up 175%. Record: The growth shown on the right starts from 1947 when the shares in the company were 'spun off' to the shareholders of the then parent company, British Assets Trust Limited.

Jenkins backing for Portuguese entry bid

By David Curry

PARIS, March 1. MR. ROY Jenkins, president of the EEC Commission, has urged the French Government to give an enthusiastic response to the expected Portuguese application for Community membership.

Moscow dissident group pledges to continue work

BY DAVID SATTER

THE DISSIDENT committee to monitor Soviet observance of the Helsinki accords to-day held its first meeting since the arrest of two of its members and pledged to continue its work.

Bonn undecided over AWACS

BY NICHOLAS COLCHESTER

THE WEST GERMAN Defence Ministry is giving "careful consideration" to AWACS, the "enlarged flying radar system" for Nato, but has still not decided whether to support the \$2.2-billion programme, a spokesman said to-day.

Delay of Irish trawler ban irks fishermen

By Giles Merritt

DUBLIN, March 1. THE IRISH Government, to-day faced angry reactions from the leaders of fishermen's organisations following its agreement in Brussels last night to postpone for a fortnight the unilateral ban on large trawlers that was to have come into effect to-day.

Moscow dissident group pledges to continue work

MOSCOW, March 1.

require, as it does in other Soviet republics, that the family be notified of the charges. Mr. Ginzburg's wife, Arina, said that a search of his apartment in Tarusa on February 22 lasted 19 hours and that the search was accompanied by anti-Soviet agitation.

Dutch minister sees civil rights leader in Prague

PRAGUE, March 1.

DUTCH FOREIGN Minister Max van der Stoep, a guest of the Czechoslovak Government, had an unprecedented meeting to-day with a human rights campaigner vilified by the communist leadership in Prague.

Turks lower lira parity

BY METIN MUNIR

THE CENTRAL Bank of Turkey to-day reduced the value of the Turkish lira against 13 convertible currencies simultaneously.

Finland unions begin series of strikes

BY LANCE KEYWORTH

THE STRIKES which have been expected since the breakdown of collective bargaining in Finland at the end of January began this morning, with action by the leather and rubber workers' union — led by the hard-line faction of the Finnish Communist Party — which closes most of the country's footwear factories.

Danish parties agree on economic deal

BY OUR OWN CORRESPONDENT

MR. ANKER Joergensen, the Danish Prime Minister, has complemented his election success of two weeks ago with an inter-party agreement on employment-promotion measures, housing cost restraints and defence spending, and on raising 910m. crowns a year to finance some of it.

# Firestone files suit to recover missing political fund money

**BY JAY PALMER**  
NEW YORK, March 1. FIRESTONE Tire and Rubber Company has filed a suit in New York State court to recover \$250,000 of money it claims was missing from a political fund it set up in 1974 to sell its tires to the Iranian Government.

Mr. Housang Lavi claimed that Mr. Kenneth O'Donnell and Mr. Benjamin Smith, respectively the President's Appointments Secretary and successor in the office, threatened him with an investigation of his immigration status if he did not transfer to the Iranian Government the \$250,000 of money he had contributed to the fund.

# Uruguay angrily refuses all U.S. aid

**By Robert Lindley**  
BUENOS AIRES, Mar. 1. THE URUGUAYAN Government has reacted angrily to the announcement last week by Mr. Cyrus Vance, the U.S. Secretary of State, that U.S. credits to Uruguay would be reduced and has decided to refuse all U.S. aid.

Mr. Vance told the Senate on Thursday that because of violations of human rights in Uruguay, Argentina and Ethiopia, U.S. credits to those countries would be cut. Yesterday, in a Foreign Ministry communique, the Argentine Government said that the Vance statement "implied" meddling in Argentina's internal affairs, but so far the military junta has not rejected all U.S. aid for 1977, nor cut from the previously proposed \$48.5m. to \$15m. in military aid.

# BRAZIL'S NUCLEAR DEAL WITH W. GERMANY Refusing to be blown off course

**BY SUA BRANFORD IN SAO PAULO**

COMMON ECONOMIC and political pressures bring together the strangest bed-fellows. Mr. Chang-Techun, China's Ambassador in Brazil, recently commented: "Brazil and China are suffering in much the same way. We are both developing countries. . . . We must struggle together against the nuclear monopoly."

# CIA linked to companies' illegal payments overseas

**BY OUR OWN CORRESPONDENT**  
NEW YORK, March 1. CONGRESSMEN AND their investigators have found strong indications that the Central Intelligence Agency, while in a move which is being widely reported, has directly encouraged the flow of illicit cash from large U.S. companies to certain foreign political figures, the Wall Street Journal reported this morning.

The paper noted that not all well-publicised payments by companies need have constituted commercial bribery. Some of them, it said, could have been to informants for the U.S. intelligence agencies, or possibly to reward foreign officials for reporting to the U.S.

# El Salvador state of siege

**SAN SALVADOR, March 1.** THE GOVERNMENT of El Salvador has declared a 30-day state of siege in a bid to restore peace and tranquillity in the violence-racked country.

# Bukovsky may see Carter

**WASHINGTON, March 1.** KILLED Soviet dissident Vladimir Bukovsky has told Congressional sources that he expects to see President Carter today to discuss the human rights situation in the Soviet Union.

# Uruguay angrily refuses all U.S. aid

Mr. Housang Lavi claimed that Mr. Kenneth O'Donnell and Mr. Benjamin Smith, respectively the President's Appointments Secretary and successor in the office, threatened him with an investigation of his immigration status if he did not transfer to the Iranian Government the \$250,000 of money he had contributed to the fund.

The case specifically involves Grumman's sales of F-14 jet interceptors to Iran in 1974. The contracts were signed in two lots, one for 30 and the other for 50 aircraft, at a price of \$2.2bn. The entire transaction was disclosed when the Iranian officials voiced loud objections to agents in the deal getting large commissions.

This morning, both Mr. O'Donnell and Mr. Smith denied ever being at a meeting during which Mr. Lavi claimed to have been threatened. Both however admitted knowing the former U.S. Army officer who allegedly arranged the meeting and eventually re-transferred the U.S. who claims to have been a former sales agent for Iranians.

Uruguay, however, has cancelled whatever petition for the military junta has not rejected all U.S. aid for 1977, nor cut from the previously proposed \$48.5m. to \$15m. in military aid.

Under the German deal, signed in June 1975, Brazil will set up by 1990 eight nuclear power stations with a combined generating capacity of 10m. kilowatts, a reprocessing plant for spent nuclear fuel and a nuclear enrichment plant. Garzao manufacturers will supply most of the equipment. The whole deal, if it is fully implemented, is estimated to be worth several billion dollars to them.

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

# The London Money Centre is built round the Pyramid.

The Pyramid is the symbol of one of the world's most influential market makers, Bankers Trust. Equally, it's your guarantee of a rapid, efficient and continuing service provided through the Bankers Trust London Money Centre.

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

Mr. Ernest Siracusa, was informed of this decision last night, and adds that the U.S. Government "uses the field of military and economic assistance to intervene in the internal affairs of Uruguay."

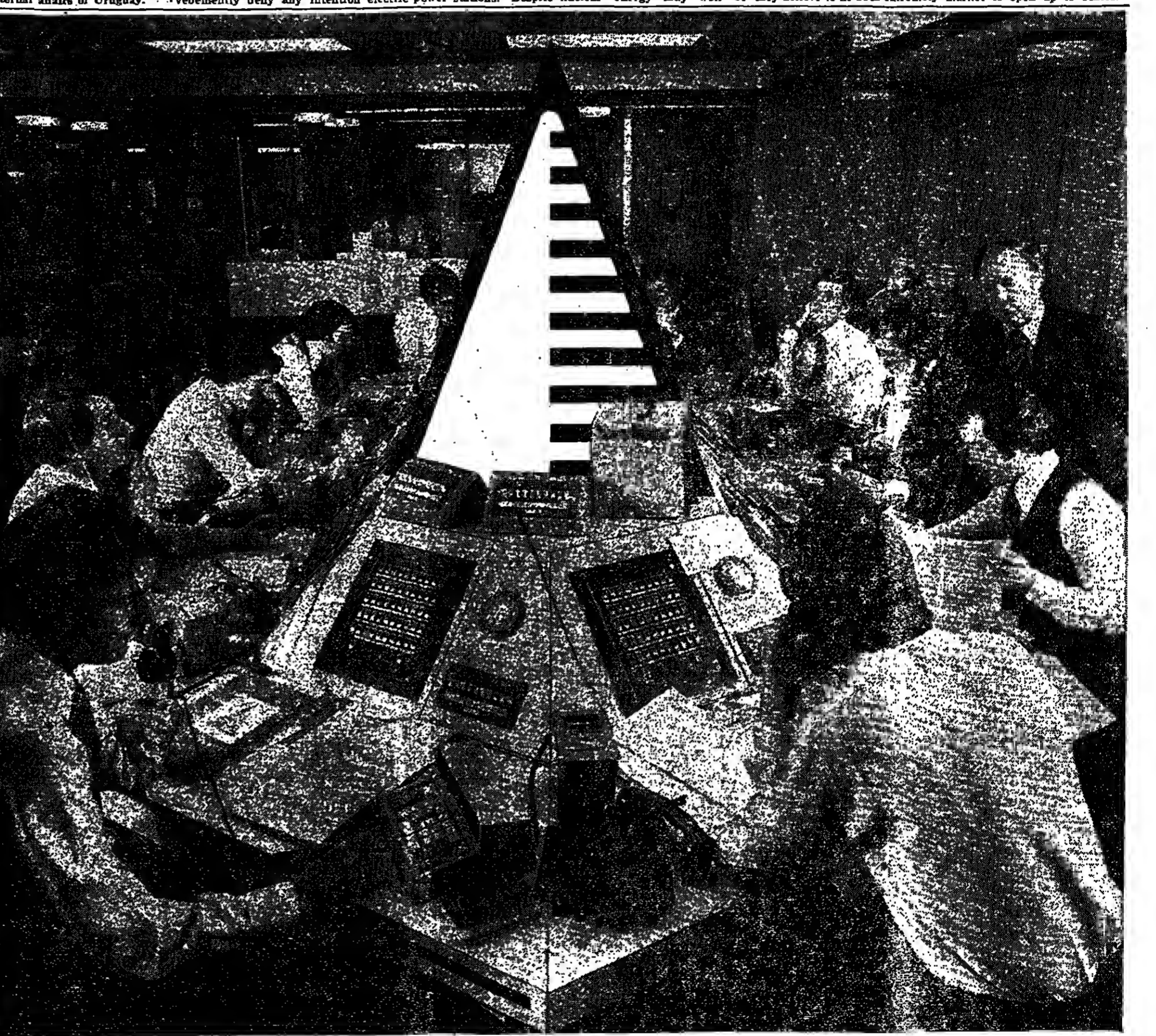
# Caribbean imports worry

**BRIDGETOWN, March 1.** THE CARIBBEAN Association of States of the Caribbean Community (Caricom). The Board of Industry and Commerce has expressed concern at a Board meeting here over the "almost complete restrictions" which have been placed by the governments of Guyana and Jamaica on imports and have called on the governments to remove them.

The Association said that, if restrictions continued, they could have a "serious and deleterious effect" on the trade relationships within Caricom.

# Caribbean imports worry

The Association said that, if restrictions continued, they could have a "serious and deleterious effect" on the trade relationships within Caricom.



# The London Money Centre is built round the Pyramid.

America, Europe and Asia, we are in business around the clock, around the world. Which is why we can provide corporate customers with the fast, accurate, decision-making information they need on trends and opportunities.



**Bankers Trust Company**  
London Money Centre, 9 Queen Victoria Street, EC4P 4DB.  
Telephone: 01-236 5030. Telex: 888191/2.



HOME NEWS

JP... ID

Bakers dispute move to stem price rise

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

BAKERS ARE again in dispute over prices. The three major baking companies have been told that it is unlikely that they will be allowed to increase prices by as much as they want next week. The bakers had hoped to increase the price of both large and small loaves by 1p each on Monday, but now they may be allowed an increase of more than 1p on large and perhaps 1p on small loaves. The dispute again revolves round the question of the discounts bakers Rankin, Hovis, Douglall, Spillers, and Allied Bakeries can give customers. It is the removal of the statutory limit on these discounts in a committee which led to bread prices being disrupted for a month by the deliverymen's boycott of shops ceiling cut-price bread. In December, however, it was the Department of Prices which...

Tax plan could boost investment incentive

BY MICHAEL LAFFERTY, CITY STAFF

PROPOSALS FOR a standard method of treating deferred tax in company accounts are expected to be published soon by the accountancy bodies. The new approach, which has already been proposed in the Morpeth inflation accounting proposals, will mean that the impact of investment will be reflected much more obviously in companies' after-tax profits. It should set as an incentive to companies since tax charges will be less where there has been a greater investment in plant and vice versa. The proposals, which are expected to be published in the form of an exposure draft in April, will only require companies to set up provisions for deferred taxes in those relatively minor circumstances where they expect liabilities to pay the tax ultimately to arise. This contrasts sharply with the accountancy profession's previous deferred tax accounting standard (SSAP 11) which had to be suspended last October, in the face of opposition from industry, some accountancy firms, the banks, and other City institutions. The old standard would have required companies to make provision in their accounts not only for the tax on their annual profits, but also for that deemed to be deferred as a result of the Government's accelerated depreciation allowances and stock appreciation relief. SSAP 11 was due to become effective for all accounting periods starting on or after January 1, 1977. Since its...

Smith Bros. loses appeal on kaffirs

By Margaret Reid

THE STOCK Exchange council yesterday rejected a request by Smith Bros. one of the largest stockjobbing firms, to be allowed to deal direct with U.S. brokers and other market makers outside the Exchange in South African gold and certain other overseas shares. Smith, which is now the sole holder in kaffirs—gold mining shares—had wanted to trade directly with the non-Exchange market makers in the shares in question, rather than through brokers in the normal way. Its appeal to the council came against the background of increasing dealing by large U.S. banking firms in London in kaffirs and certain other mining shares subject to the dollar premium, in which the Exchange's own trading has fallen over recent years. The proposition was, however, unpopular with many brokers. In giving its decision, the council held out some apparent possibility of a change, saying that it was continuing to study the evolution of the international dealing systems. Smith, which did not appear unduly surprised by the council's answer, apparently has no thought of pulling out of dealing in kaffirs, which is still profitable. However, Smith is unlikely to be satisfied to accept the council's decision as the last word in the matter and will no doubt seek other means, within the ambit of the Exchange's rules, to expand its gold business.

Exhibition centre raises fees 38%

BY IAN HARGREAVES, INDUSTRIAL STAFF

CHARGES FOR space at the National Exhibition Centre, Birmingham, are to be increased by 38 per cent from April next year—the second increase of this size within two years. Alarm at the scale of these increases has led recently to a series of meetings between the directors of the centre and exhibition organisers at which the future financial stability of the centre has been questioned. At one point organisers were refusing to sign tenancy agreements. Figures circulating among exhibitors has suggested that the centre would be unable this year to meet the interest burden on its £37m. capital debt and a more recent £6m. working capital loan. Having considered these figures, the Association of Exhibition Organisers met the exhibition centre Board last week when it was suggested that the Government should be asked to write off some of this debt. Convinced But Mr. Ken Smith, chairman of the association, said yesterday that the Board had in fact been able to "more or less" convince the association that its pricing policy would enable it to meet its financial obligations without recourse to such measures. Other members of the association were embarrassed that they had, apparently, got their sums about the centre wrong. An im-

Windscale first stage wins approval

BY DAVID FISHLOCK, SCIENCE EDITOR

BRITISH NUCLEAR FUELS received planning approval yesterday for the proposed £245m. investment at its Windscale factory in Cumbria to refurbish reactors for the reprocessing of spent (natural uranium) fuel from reactors in Britain, Japan and the U.S. The Cumbria Planning Committee approved the scheme by a majority of 14 to one. It is the first part of the proposed £635m. redevelopment plan for the Windscale factory to receive planning approval since 1967. The Secretary of State for the Environment, advised the company to divide its plans into separate parts. Mr. Shore said last year that he wanted to call in for public inquiry that portion relating to the construction of a £135m. reprocessing plant for oxide fuel. The investment in magnox is necessary both to ensure that the 2,500-tonne-a-year plant will continue to treat spent fuel from reactors now expected to be in service into the 1990s and for the treatment of plutonium explosive for the nuclear weapons programme. BNFL has submitted applications for planning permission for new storage capacity for incoming oxide fuel, and for new research and development facilities. Mr. Stephen Murray, chairman of the Cumbria Planning Committee, said the details and specifications of safety standards for the magnox developments were not his concern. "Other competent people will do that for us," he said, in a reference to the Nuclear Installations Inspectorate of the Health and Safety Executive.

Footwear £10m. aid planned

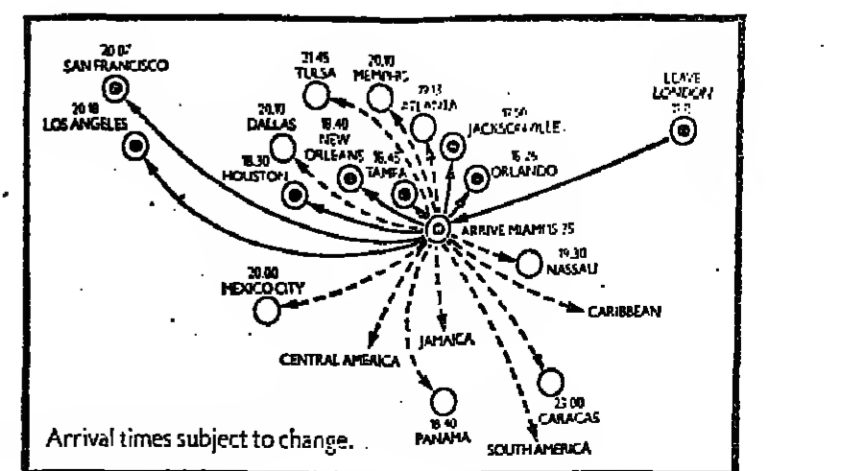
A REPORT recommending £10m. of State aid for Britain's struggling footwear industry should be presented to Mr. Eric Forley, the Industry Secretary, this week.

The investment in magnox is necessary both to ensure that the 2,500-tonne-a-year plant will continue to treat spent fuel from reactors now expected to be in service into the 1990s and for the treatment of plutonium explosive for the nuclear weapons programme. BNFL has submitted applications for planning permission for new storage capacity for incoming oxide fuel, and for new research and development facilities. Mr. Stephen Murray, chairman of the Cumbria Planning Committee, said the details and specifications of safety standards for the magnox developments were not his concern. "Other competent people will do that for us," he said, in a reference to the Nuclear Installations Inspectorate of the Health and Safety Executive.

If you don't need to go via cold, crowded New York, come home with us via Miami.



Miami is waiting to welcome you on your National Airlines flight. It's the sun-kissed gateway to the USA. National flies there direct from London and onward to Houston, New Orleans and to other major cities in the South and South West. We have good connections to the Caribbean, South and Central America, too. All part of the helpful service you get from National Airlines. The kind of sunny, southern-style service you'd expect from Florida's national airline. So why fly via New York when you don't have to? Fly home with us via Miami. National flies non-stop from Heathrow to Miami, so call your travel agent and say "National Airlines, take me, I'm yours."



National Airlines "Take me, I'm yours."

Contact your travel agent or National Airlines, 31 Piccadilly, London W1V 9HF. Telephone: 01-629 8272. National Airlines Inc. is incorporated in the state of Florida U.S.A.

Blast furnace cuts to hit Hartlepool

BY OUR DARLINGTON CORRESPONDENT

THE BRITISH STEEL Corporation is to reduce blast furnace production at four North-East works because of a continuing recession in demand for steel. The hardest-hit will be the Hartlepool Works on Teesside, which was recently re-opened after a year's closure. The blast furnace is to be damped down from 3,500 tons a week from tomorrow. Production at Gensett, County Durham, will be reduced from 10 to 14,000 tons a week, while the Cleveland Electric arc furnace will produce 10,500 tons instead of the usual 11,500 tons. There will also be a 1,000 ton reduction at the Lakenby, Teesside, works to 27,000 tons a week. British Steel has already said...

NCR executive retires

FINANCIAL TIMES REPORTER

SEVERAL WEEKS of speculation about the future of one of CR's top executives in Britain came to an end yesterday. A statement by the company said Mr. T. I. Dunn said Mr. Dunn, 54, had retired as managing director of NCR's operations in Dundee, with effect from January 28. Dundee is the U.S.-owned company's main manufacturing base in Britain for cash registers and other electronic equipment. "After 30 years in the company, of which some 20 years have been spent in senior executive positions, Mr. Dunn now feels that this is the appropriate time to pass over the management of the operation to a younger man. During recent years Mr. Dunn has been responsible for effecting a transition for NCR from manufacturing and assembly of mechanical products with a very large labour force to one which now requires many fewer people on the assembly of testing of highly sophisticated electronic computers and point-of-sale terminals," it continued.

Weather cuts betting revenue

SEVERE WEATHER in January caused a turnover slump in most forms of betting, according to provisional figures published yesterday by Customs and Excise. The general betting duty paid by off-course bookmakers, whose margins have been badly cramped in recent months, fell to £27.6m. compared with £34m. in January last year. The most severe turnover reduction was shown by the horseracing Tote which paid £52,000 duty in January compared with £107,000 a year earlier. The football pools companies, however, paid £8.4m. in pool betting duty in January, compared with £8.1m. Overall, betting and gaming...

New air chief

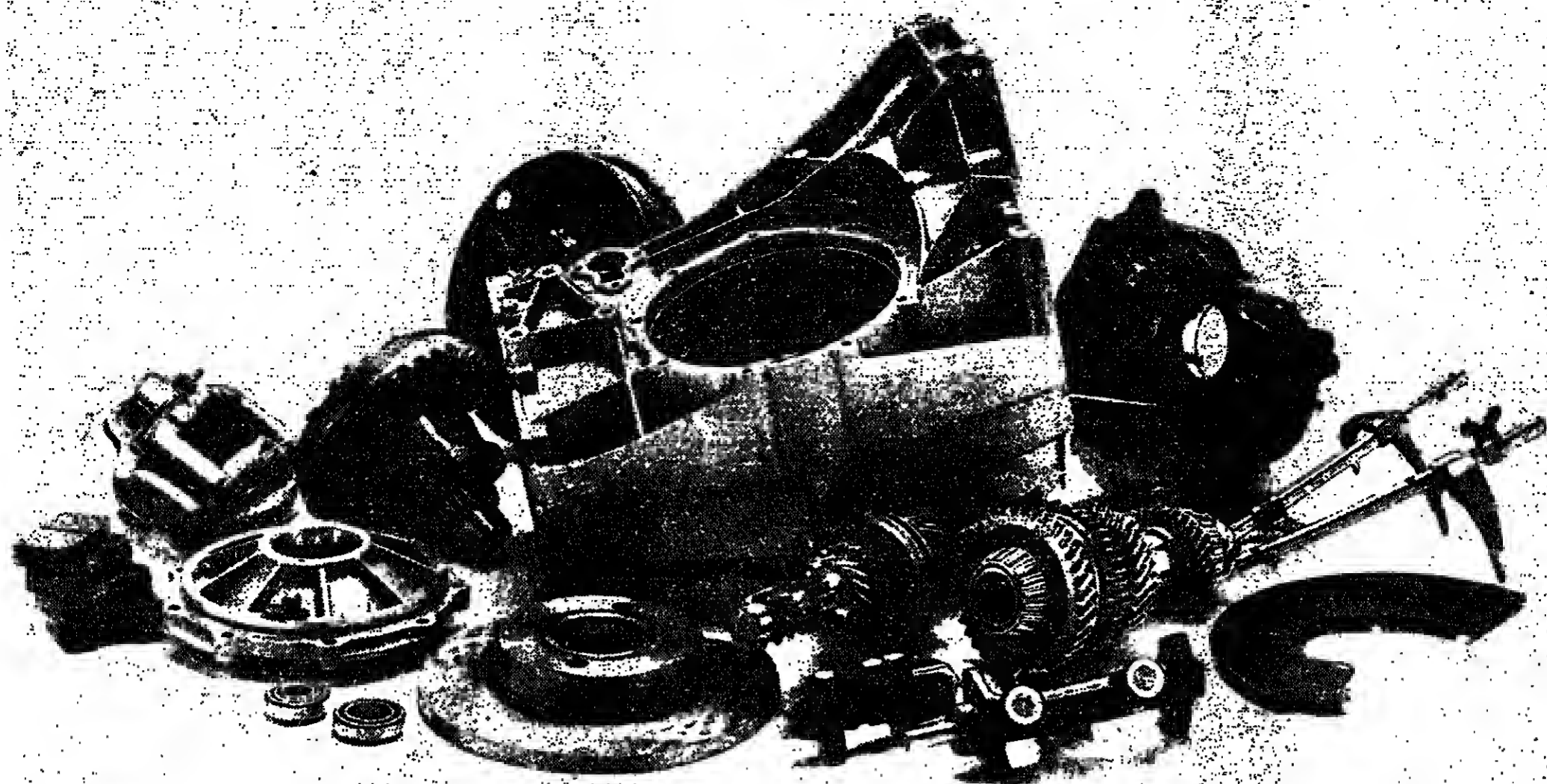
Air Marshal Sir Michael James Besham is to be the next Chief of the Air Staff, succeeding Air Chief Marshal Sir Neil Cameron, who is to be Chief of the Defence Staff. Sir Michael takes up his new post on August 1.

Industrial estate

English Industrial Estates is planning a 25-acre industrial estate for part of the reclaimed Jarrow Slake, a former mud-flat area on the south bank of the River Tyne. The company plans to spend £3m. developing the area over a period of several years.

SNOW REPORTS

Table with columns for location, snow depth, and weather conditions. Locations include London, Edinburgh, Glasgow, Aberdeen, Dundee, Belfast, Cardiff, Swansea, Exeter, Plymouth, Bristol, Southampton, London, and various Scottish locations.



**After 9 years,  
this is all  
that's left of  
the old  
Audi 100.**

مکذا من اهل



JP... 155

New cars are very often not as new as their advertising suggests.

For underneath that gleaming bodywork there may lurk an engine which is 10 or 15 years old, a suspension system which is 5 years old and a safety system which won't meet the higher standards of the future.

The new Audi 100 is a happy exception.

It contains only a handful of parts from its predecessor. Not because we want change just for the sake of change. But because of all that has been learnt about car design in the nine years since we first introduced the original Audi 100.

A mere facelift would have left out many of these improvements.

So we went right back to the drawing board to build a completely new car.

And, frankly, a much better one.

#### SHAPED TO SAVE YOU PETROL.

First, we'd like to draw your attention to an innovation you might easily overlook: our car's shape.

With the help of the largest wind-tunnel in Europe we discovered a new way to improve the airflow at the rear of the car. And thus proved that appearances can be deceptive.

For, it might surprise you to learn, the new Audi 100 has a drag coefficient as low as that of the Citroen CX2000 or the Rover 3500, without sacrificing passenger or luggage space.

And by lowering the drag coefficient, we also lower your fuel bill. (For over 20% of a car's fuel consumption is caused by wind resistance.)

#### A NEW ENGINE FOR NEW TIMES.

The engines of many luxury cars were designed at a time when petrol cost as little as two shillings a gallon.

And in those days, it didn't matter that a car could do no more than 15 to 20 miles to the gallon.

Today, in the era of the £1 gallon, it matters very much.

So to achieve extra performance and smoothness for the new Audi 100, we didn't use the old fashioned method of adding lots of extra cylinders.

Instead, we designed a completely new 2 litre engine, with a high swirl combustion system.

The results speak for themselves. For, despite the car's large size, it returns 29.4 mpg (DIN).

And with a power to weight ratio better than a Jaguar XJ 3.4, it accelerates from 0-60 in just 10.7 seconds.

#### SAFETY SHOULD BE BUILT IN, NOT ADDED ON.

An old engine may hurt your pocket but an old safety system can hurt a great deal more.

And here, facelifted cars are at a serious disadvantage. Because applying the latest safety techniques requires a lot more than adding a strip of foam to the dashboard.

It requires a return to the drawing board.

In our case we applied the thinking of Professor Timoshenko of Stamford University.

His discoveries in the structural deformation of metal showed how it could be made more "elastic" and absorb far more energy.

And basing our work on his, we've developed a "telescopic" safety girder that's fitted to each side of the Audi 100.

With the help of these girders, three-quarters of the impact energy in a typical head-on crash is safely absorbed by the front twelve inches of the car's structure.

This means that far less impact energy is passed back into the passenger compartment.

With the result that your chance of serious injury is 50% lower than in cars that just conform to present day safety standards.

#### WHEN YOU CHANGE EVERYTHING, YOU CAN IMPROVE EVERYTHING.

The benefits of changing our car are more obvious when you start driving it.

For example, our engineers discovered that it's possible to tune all the car's metal parts, so they can vibrate at frequencies that are less audible.

They developed a special heating system that creates different layers of temperature inside the car. It lets you change the air every 15 seconds, even when the car is stationary.

Not all the ideas, however, came from the world of car design.

From non-stick pans, we borrowed the idea of using Teflon in the steering system. So steering effort is reduced by 30%.

From Professor Paolo Nestler, we learnt how a cockpit-like driving environment encourages a feeling of aggression in drivers.

So we asked him to design an interior for the new Audi 100 which would reduce the stress of driving.

#### THE PART WE HAVEN'T CHANGED.

In one respect, however, our car is completely unchanged. And that's in the way we built it.

Our 1,560 quality inspectors are still as pernickety as ever. So that even the parts of the bodywork you can't see are painted as well as the parts you can.

But wouldn't you like to inspect all this for yourself?

Pop into your nearest Audi dealer, and take this thought with you:

That now we've changed our car, it's probably time you changed yours.

# The new Audi 100.

THE NEW AUDI 80 RANGE STARTS AT £3,288. THE NEW AUDI 100 RANGE STARTS AT £4,480. PRICES INCLUDE VAT AND CAR TAX AND ARE CORRECT AT TIME OF GOING TO PRESS. SEAT BELTS, NUMBER PLATES AND DELIVERY EXTRA. ALL FIGURES QUOTED ARE OUR FACTORY FIGURES. FOR MORE INFORMATION ON THE AUDI 80 OR 100 WRITE TO: AUDI MARKETING DEPARTMENT, VOLKSWAGEN HOUSE, BRIGHTON ROAD, PURLEY, SURREY. EXPORT ENQUIRIES TO: AUDI EXPORT CENTRE, 95 BAKER STREET, LONDON W1.



HOME NEWS

Beswick backs fight for Nimrod order

BY MICHAEL DONNE IN MANCHESTER

HAWKER SIDDELEY Aviation and Marconi-Elliott Avionics are stepping up their campaign to get the U.K. Government to buy the Nimrod aircraft for 'giving radar station' duties, instead of the U.S. Boeing E-3A jet, already on offer to NATO.

In this they have the full support of the trade unions and of Lord Beswick, the chairman of the British Aerospace Organisation Committee, set up to prepare the way for the nationalisation of the aircraft industry.

Lord Beswick said at Hawker Siddeley's factory at Woodford, Manchester, yesterday that the Nimrod offered a design development and production capability that the U.K. could ill-afford to lose.

The two aircraft are competing for contracts to provide what is called Airborne Early Warning and Control (AEW&C) radar on high-flying jets so that they can look down on and detect enemy aircraft trying to slip underneath existing ground-based defensive radar systems.

The U.S. has offered NATO 27 of the Boeing jets (called Airborne Warning and Control Systems, AWACS) to cover the

whole of Europe at a cost of £1.3bn. (about \$2.2bn.). The U.K. companies are offering a smaller number of Nimrods both to fill the Airborne Early Warning role now carried out by the RAF with its ageing Shackleton aircraft, and perhaps also to cover a limited area of Western Europe.

Hitherto the fight between these two jets has been carried on behind the scenes. Now, however, the British companies have issued public statements, bringing the matter out into the open.

They said that by buying the Nimrod, the U.K. Government could provide over 7,000 jobs for the aerospace industry, against only 450 by going along with NATO and buying the Boeing jet, thereby ensuring that a substantial aviation technological base could be kept in the U.K. instead of being lost to the U.S.

The two companies also claim that the cost of buying the Nimrod would be considerably less than the amount the U.K. would have to spend on its share of buying the American system for NATO. Although the precise

Building societies 'may widen interest rate gap'

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

THE NEXT CHANGE in building society interest rates might involve a greater reduction in investors' rates than in the mortgage rate, Mr. Norman Griggs, secretary-general of the Building Societies' Association, hints in the March edition of its Gazette.

Mr. Griggs points out that in the memorandum of agreement reached with the Government in 1973, the societies pledged to change investors' rates as regularly as was necessary to maintain an adequate flow of mortgage funds and alter the mortgage rate as infrequently as possible.

Mr. Griggs admits that an unequal adjustment in the two rates is easier to suggest than to achieve, particularly when the mortgage rate stands at a record high of 12½ per cent. Borrowers would expect any decrease in the rate paid to investors to be matched by a decrease in the rate charged to them.

Stabilised Mr. Griggs nevertheless proposes that next time there is a general change in rates, a start could be made to increase the cushion on building society reserves which have been steadily falling over recent months.

Mr. Griggs claims that the societies have successfully stabilised fluctuations in the inflow of funds by the astute use

of liquidity. However, there was a limit to the extent to which liquidity levels could be run down in the end and the interest rate "weapon" had to be considered.

One obstacle in the way of a more flexible rates system was the cumbersome process of changing the mortgage rate. Long notice was still required under many mortgage deeds and this involved revenue losses.

Automatic In the future, there could be more frequent changes in the mortgage rate through Press notices, with a "settlement account" being despatched.

A commercial bank for example, changed overdraft rates automatically without putting the borrower into the picture, although long-term mortgage loans were a rather different contract.

An official inquiry into allegations that two senior officers of the Derbyshire Building Society were involved in "guzzling" a customer, was launched yesterday.

As the inspector of the Chief Registrar of Friendly Societies has been called in to probe complaints by a customer that a property on which he tried to obtain a mortgage was eventually bought by Bristleworth, a stabilised private company, whose directors are the wife of the Derbyshire's general manager and chief surveyor.

Greater protection sought for oil rigs

By Ray Dafter Energy Correspondent

THE OFFSHORE oil industry is pressing the Government to give greater protection from possible damage to its production equipment and pipelines from maritime accidents.

The companies fear that a serious accident could interrupt Britain's energy supplies, cause harmful pollution or even injure offshore oil workers.

The Department of Energy and other Government departments are considering a request from the U.K. Offshore Operators' Association that safety zones around offshore installations should be enlarged.

The association has also called for more powerful enforcement of safety regulations with, perhaps, the formation of a new force of maritime "traffic wardens."

It has suggested, for example, that the fisheries and offshore oil protection vessels should be supplemented by the fleet of safety patrol boats which would constantly be circling offshore platforms and rigs. These boats, it is argued, could be provided with an official flag to give them more authority in warning off other vessels which infringe safety zones.

Worried

The main concern, however, is that the safety zones as laid down are inadequate. At present shipping is prohibited from sailing within 500 metres of fixed structures such as platforms and offshore loading installations.

These regulations, however, do not apply to mobile rigs (subsea water-lift systems) (subsea well heads) and pipelines. And they do not cover the area of sea between platforms and mooring systems.

Companies are worried that anchors and fishing trawl gear could damage the underwater equipment or the rig anchor chains which can fan out over 500 metres.

£67m. in royalties from North Sea

BY RAY DAFTER, ENERGY CORRESPONDENT

ROYALTIES FROM the production of U.K. oil and gas yielded £66.6m. last year, according to latest Government statistics. Mr. Anthony Wedgwood Benn, Energy Secretary, told the Commons yesterday that royalties rose about £22.4m. for gas and about £44.2m. for oil.

These were provisional payments which could be adjusted later, he added. Oil licensees are making payments on an interim basis until the method of calculating transport and treatment costs for individual fields have been determined. All licensees' returns are scrutinised by the Government before the agreement is reached on claim allowances companies can claim.

Between July and December, oil payments totalled £42.3m., the first major sums received since July, 1975, and from the Forties Field since November, 1975.

The reason for the delay stems partly from the system for deducting transport and treatment costs from total revenue before the royalty at 12.5 per cent is charged.

In addition, one of the licences recognises interest on capital employed in initial oil shipment and payment. Consequently, the royalty payment was the second half of last year. Similarly, the licensee at

Table with 3 columns: Month, Gas, Oil. Rows: Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec, Total.

Source: Department of Energy

Montrose, and Beryl fields, began producing last year, but not become liable for royalties until this year. It is thought that the Shell/Esso Brent field, came on stream in November, 1976, but not liable for royalties until 1978. This is because of the modest tanker liftings—relative to investment—needed until the main pipeline to Sullom is being brought into operation.

Telegram messages drop

THERE HAS been a dramatic drop in the number of telegrams handled by the Post Office, according to the corporation. About 3.5m. telegrams were handled last year, of which 1.2m. were greetings messages.

The total contrasts sharply with the 4.2m. inland telegrams handled in the year to March 31, 1976, which was itself a drop of nearly 47 per cent on the previous year's total of 6.2m.

The Post Office is about to introduce a new all-purpose of greetings telegram to replace the existing design, which was launched two years ago. The new telegrams were used in 1975.

A special issue of four telegrams featuring world discoveries by British scientists on sale at all post offices in values of 8½p, 10p, 15p and 13p.

Drivers' guide to London

OVER 100,000 streets in London and its suburbs, permanent car parking and details of essential services—hospitals, police stations, Government offices—are given in a new London atlas for motorists produced by the Automobile Association in collaboration with Geographia.

The 402-page guide has full colour maps on a scale of 3.17 inches to a mile, with Central bookshops and all AA agents

London at 5.5 inches to a mile. The atlas covers 1,775 miles from Welwyn Garden City in the north to Guildford and Woking in the south and west.

The AA Greater London Atlas, 402 pages, £7.95 for members, £9.95 for non-members, from 4 inches to a mile, with Central bookshops and all AA agents

Heuga carpet tile range doubled to boost sales

BY RHYS DAVID, TEXTILES CORRESPONDENT

HEUGA, the carpet tile maker, plans to increase its British sales by extending its tile range and introducing broadloom carpets.

The company, which holds 60-70 per cent of the carpet tile market in the U.K., will double its range of tiles to 18. It hopes to have new printed tiles later. These will be produced on a computer-controlled Millitron dye injection printing machine being installed in Holland.

The move into broadloom sales in the U.K. is planned for next year. It will bring Heuga, a Dutch-controlled company, into competition with the leading U.K. carpet groups and follows the acquisition of a broadloom manufacturer on the Continent for some time ago.

Despite the relative stagnation of U.K. carpet sales volume, Heuga claims to have increased its sales five-fold in the past five years. Its main production facilities are in the Netherlands, but £5m. worth of carpet tiles are being manufactured under licence in the U.K. for sales in Britain and in export markets. The company intends to manufacture a site at Milton Keynes for which planning permission has been obtained. But Mr. High Court writs against the Robyn Grant, managing director of Heuga U.K., said the group's Burrow Mump after the war.

London Radio revenue doubles

By Michael Thompson-Noel

LONDON BROADCASTING Company, the commercial radio news station, confirmed yesterday that its net advertising revenue in January had risen to £100,000, double that of January last year.

This made the station the second most successful of the U.K.'s 19 independent local radio stations in advertising income, behind Capital Radio, also London-based.

Capital's net advertising volume in January was just under £400,000.

"Forward bookings are running at twice the rate of this time last year," said Mr. Patrick Gallagher, LBC's managing director. "We believe that we've turned the corner, and are investing in success by introducing a series of new programmes."

Maggie collects £137,600

THAMES TELEVISION'S Maggie programme for children has broken its appeal records with £137,600 sent by viewers in response to its 1976 Christmas appeal. The money will be used to set up a home for mentally handicapped children.

Junior hospital doctors fear student surplus

MEDICAL unemployment is "intolerable" unless the numbers entering medical school are cut by 1,000 to 2,000 a year, according to junior hospital doctors.

They are worried about the prospect of "doctors on the dole" and believe the British Medical Association's evidence to the Royal Commission on the National Health Service—which asks for an interim report on medical manpower—is not nearly strong enough.

They will ask a special representative meeting of the BMA, arranged to finalise the association's evidence, to include the junior doctors' own report on doctors' prospects.

This warns that the present increase in medical students will "produce" a surplus of doctors—an increase of 80 per cent over present numbers by 2010, even assuming the number of qualified doctors produced stays constant after 1981.

The juniors say there is no great increase in health spending likely in the foreseeable future so there will be too many

doctors chasing too few jobs. Cutting the medical school intake to 2,600 would keep numbers in balance and save £132m. in the next five years in training costs and salaries alone.

The current BMA evidence to the Royal Commission, while saying that accurate prediction of demand is "vital to the future of the NHS" and that getting the sums wrong would be "disastrous," says there are "so many variables" any number of different conclusions can be drawn.

The BMA says a major review of manpower should be undertaken with annual reviews by an independent body.

Kaufman on shipbuilding

MR. GERALD KAUFMAN, Minister of State for Industry, will speak at a conference on shipbuilding organised by the Scottish Fish Trades' Union Congress at the Trade Union Centre, Glasgow, on Sunday.

NATIONAL INSURANCE CONTRIBUTION CHANGES FROM 6 APRIL 1977.

The main changes are summarised here but leaflet NI.208/April 77, obtainable now from Post Offices and Social Security offices, gives full details.

CLASS 1 CONTRIBUTIONS FOR EMPLOYERS & EMPLOYEES

The upper earnings limit up to which contributions are payable will be raised to £105 a week.

The lower earnings limit below which no Class 1 contributions are payable by employer or employee is being raised to £15 a week.

The employer's contribution rate will remain at 8%, but a 2% surcharge will be added for taxation purposes, making the total employer's rate 10%.

The contribution rates for employees will remain unchanged.

New contribution tables (forms CF 391) have been issued direct to employers and further copies can be obtained from Social Security offices.

CLASS 2 & CLASS 4 CONTRIBUTIONS FOR THE SELF-EMPLOYED

Class 2 (flat-rate) contributions for men will be increased to £2.66 a week and those for women to £2.55 a week from the week beginning 10 April.

If you expect to earn less than £875 from self-employment in the 1977/78 tax year, you can apply for exception from liability to pay Class 2 contributions. This is £100 more than the limit for 1976/77.

Class 4 contributions will continue to be at the rate of 8%; however, the lower and upper limits for assessment of profits or gains on which contributions are payable will be raised to £1,750 and £5,500 respectively.

VOLUNTARY CLASS 3 CONTRIBUTIONS

The flat-rate contribution will be increased to £2.45 a week.



FINAL DIVIDEND The directors propose to recommend to the stockholders that at the annual general meeting to be held on 11th May 1977 a final dividend be declared of 8.896p per 25p unit of stock to be paid on 20th May 1977. This increase is the maximum permitted. With the addition of stockholders' tax credit this is equivalent to a "gross" dividend of 13.686p. The dividend will be payable to stockholders registered at the close of business on 18th April 1977. This together with the interim dividend of 5.330p (8.969p "gross") already paid will make a total distribution of 14.726p (22.655p "gross") per unit for the year 1976 compared with 13.387p (20.595p "gross") for 1975.

Table with 2 columns: Year 1976, Year 1975. Rows: General Insurance, Long term insurance profits, Investment Income, Share of Associated Companies' profit, Total profit before taxation, Taxation, Minority interests, Profit after taxation, Dividends for the year, Transfer to retained profits.

The geographic distribution of the general insurance business and of the underwriting result and investment income is as follows:

Table with 4 columns: Country, Premiums, Profit, Investment Income. Rows: U.S.A., U.K. and Irish Republic, Canada, Australia, Europe, (ex U.K. and Irish Republic), Other Overseas.

Operating ratios for the U.S.A. on the U.K. basis are: Claims as % of earned premiums, Expenses as % of written premiums, Operating ratio.

EXCHANGE RATES In the above figures foreign currency has been converted according to our normal practice at approximately the average rates of exchange ruling during the period. The principal rates were: U.S.A., Canada, Australia.

The effect of the depreciation of Sterling on the comparison of the results between 1976 and 1975 is significant. The underwriting result for 1976 was adversely affected to the extent of almost 4m. On the other hand investment income benefited by some £1½m.

UNDERWRITING RESULT In the U.S.A. there was a substantial reduction in the underwriting loss in dollar terms as evidenced by the operating ratio which came down from 107.1 to 103.4. The depreciation in Sterling masks the underlying degree of improvement which was present in all major lines with the exception of workers compensation which had an increase in claims frequency and for which rate levels in some states were inadequate.

In Canada an underwriting loss in the last three months was largely accounted for by the extreme weather conditions in December. Overall for the year there was a reduction in the underwriting loss due to better experience in the automobile and commercial property lines.

In the United Kingdom there was a small loss. As previously reported, the stockholders account was in substantial deficit due to losses arising from the January 1976 storms and some £7.5m. of subsidence claims caused by the drought conditions during the year. In Australia a recovery which started in 1975 continued and led to a return to profitability for 1976.

There was a further deterioration in the experience in the Netherlands where the result more than accounted for the total underwriting loss in Europe. In the Other Overseas territories the results overall during the year improved to make a significant underwriting profit.

Handwritten signature or mark at the bottom of the page.

HOME NEWS

Methven says CBI will discuss two-tier Boards

BY JOHN ELLIOTT, MANAGEMENT EDITOR

TWO-TIER company Board committees last year when it favoured structure could play a part in single-tier Boards. The educationalists who wrote legislation, admitted Mr. John Methven, CBI director-general, removed worker directors from yesterday, shortly before he led the CBI delegation to discuss the Bullock Report with senior Ministers.

Speaking at a businessmen's conference in London, Mr. Methven indicated some flexibility in the CBI's stance on legislation when he said: "There is room for discussion on two-tier Boards."

Low exchange rate policy 'has risks'

BY MICHAEL BLANDIN

THE RECENT policy of holding the U.K. exchange rate "steady" involves considerable risks for the authorities, it is argued by Professor Harold Rose in the latest issue of the Barclays Bank review. On one side, the U.K. authorities were risking aggravating the inflation problem, if money supply increase is permitted by the domestic credit expansion approach to monetary discipline beyond foreign reserves are being.

On the other hand, if the authorities did not permit this accommodation, increase in money supply, they risked an unnecessary reduction in the real supply through higher interest rates. "In general," he says, "the effect of holding down the exchange rate is to place still greater strain on the crucial problem of wage-restraint."

problem

Looking further ahead, the article maintains that the problem of exchange rate policy will become still more complex in 1978, when the emergence of a current account surplus, left to itself, could lead to a rise in the exchange rate.

ADVERTISEMENT

Bank of Montreal



Edward L. Mercaldo

Bank of Montreal announces the appointment of Edward L. Mercaldo as Vice-President of its new International Loan Syndication Unit located at the Bank's headquarters for the Europe, Middle East and Africa Division in London. The formation of the Loan Syndication Unit is a reflection of the growing importance of consortium lending and management activities in the Bank's international operations.

RHM cuts will cost 450 jobs

Financial Times Reporter

RHM FOODS will make 450 workers redundant at its Great-ham, Teesside plant before the end of August. The company said yesterday heavy financial losses left it no alternative but to stop production of canned soups and meat and fish paste. After the closure of the soups and pastes department about 700 workers will be retained at Great-ham to produce Sbarwood products, Atora Suet and Cheswood products. About 60 per cent of those made redundant will be women. The company said it would make every effort to find them jobs with other local firms. It had thoroughly examined ways of trying to find alternative jobs at Great-ham without success.

Welsh TV relay

THE INDEPENDENT Broadcast Authority's new UHF television relay station at Crickhowell, Powys, Wales, is now expected to begin transmissions on Friday carrying the programmes of HTV Wales on Channel 24.

TEHRAN. 10.30 NON-STOP. Now Iran Air have non-stop flights for Tehran leaving at 10.30am. So you can arrive in the early evening, without having to start at the crack of dawn.

IRAN AIR THE WORLD'S FASTEST GROWING AIRLINE. For details of any of our seventeen flights a week to Tehran, or to make reservations, contact your travel agent.

SEE PORSCHE'S NEW PORSCHE the 924 ON PAGE 3

Callaghan to visit E. Anglia

By Rupert Cornwell, Lobby Staff

THE PRIME MINISTER will visit East Anglia to-day—the latest in his series of trips to the regions to see British industry at work. Mr. Callaghan will be in Colchester in the morning, accompanied by Mr. Alan Williams, Minister of State for Industry. They will tour the lathe factory of the 600 Group and meet management and shop floor workers.

At noon he leaves for Ipswich for lunch at the town hall with prospective Parliamentary candidates from Suffolk and North Essex. He will then meet the East Anglia council of the TUC before returning to London.

The trip will be the third the Prime Minister has made to the regions since January when he first let it be known he would be carrying out such an exercise to give the Government's industrial strategy his personal backing.

He has already visited London's dockland and Huddersfield and other trips are planned as part of the Government's battle to drive home the message that higher investment, greater exports and improved productivity are essential for Britain's economic recovery.

Firestone £1m. expansion plan

Firestone Industrial Products is to spend £1m. on its factory in Treherbert, South Wales. Firestone Industrial manufactures rubber components, including car and commercial vehicle suspension.

APPOINTMENTS

Senior changes at Hawker Siddeley

Mr. R. B. Bently and Mr. T. W. E. Sallitt have been appointed directors of HAWKER SIDDELEY Brackett and Co. and continued as managing director of Hawker Siddeley Water Engineering. Mr. House and is organised by Industrial and Trade Fairs International.

Mr. C. E. Cape has been appointed chairman of the British Overseas Trade Board in conjunction with the Economic Affairs Committee of Canning. Mr. Howard L. Clark is to relinquish the position of chief executive officer of AMERICAN EXPRESS COMPANY and will become chairman of the executive committee from April 25.

Mr. P. Harvey has been appointed legal adviser to the DEPARTMENT OF EDUCATION AND SCIENCE from April 18. He is at present principal assistant legal adviser in the Home Office, and will succeed Mr. G. E. Dudman. Mr. Harvey will be transferring to the Treasury solicitor's department on taking up his new position.

Mr. Terry Stewart has been appointed personnel director of WATERLOW (DUNSTABLE). Mr. J. M. G. Bradney has been appointed financial director of R. J. ROUSE AND COMPANY and Mr. J. Asplin has become production director of COLONEL PACKAGING subsidiaries of GIBBS NATIENIEL.

Mr. Douglas B. Kemp has been appointed managing director of W. S. COWELL, a subsidiary of Gramplan Holdings. He joins on March 7 from C. Nicholls and Co., where he has been managing director.

Mr. John W. Sharpe has been appointed group managing director and chief executive of BERNARD WARDLE AND CO. TROLLOPE AND COLLS. Mr. Reeves who was formerly deputy managing director, has been with the company for the past 27 years.

Mr. William Rogers has been appointed managing director of the NORTHAMPTON MERCURY COMPANY and the NORTHAMP.

Mr. Clarence Turk has become a Civil Service commissioner and will be succeeded by Mr. Kenneth Murray as director of the Civil Service Selection Board.

Enjoy pay day as much as the people you're paying. For most people, pay day is the day that makes it all worthwhile. For you and your accounts department it's a time-consuming chore. Which is why Lloyds Bank has a Pay Service that can do it for you.

You don't have to be a Lloyds Bank customer to benefit from our Pay Service... and now is a better time than ever to let us help you, with end-of-year tax documents to prepare. With our extensive computer facilities we can take over your costly and time-consuming payroll duties—including making payments direct to your employees' bank accounts (or by issuing cheques, if you wish). Alternatively, we can provide cash distribution lists. All you need to do is pass the necessary payroll amendments, on stationery provided by us, through your nearest Lloyds Bank branch—saving you postage. Reliability is assured by Lloyds Bank's wealth of computer expertise. Secrecy of confidential information is guaranteed. Our Pay Service is also very flexible. It can cope with a wide variety of permutations of allowances, deductions, pension schemes and so on. Every employee gets a detailed pay advice and the employer receives an original payroll listing, giving similar information. Lloyds Bank Pay Service keeps up-to-date, too, automatically taking into account new legislation. Before that happens, talk to one of our specialists. Just telephone 01-930 9502, or send in the coupon below. If you prefer, call at your nearest branch of Lloyds Bank and talk to the manager.

To: Lloyds Bank Pay Service, 25-27 Charles II Street, London SW1Y 4QN. Telephone: 01-930 9502. I would like to meet a Pay Service specialist [ ] Please send me more information [ ] Name: Position: Organisation: Address: Telephone: FT23/77





HOME NEWS

Credit card scheme to cover expenses

MICHAEL BLANDEN
GLAYCARD, one of the two main credit card schemes...

Vosper wins fight for destroyer order

BY KEVIN DONE, INDUSTRIAL STAFF
VOSPER Thornycroft, the naval shipbuilder, has come out on top in the struggle with Cammell Laird...

Scottish Nationalists plan to win devolution Bill

RAY FERMAN, SCOTTISH CORRESPONDENT
SCOTTISH Nationalists will try to challenge what they could not do the bluff of other parties...

Engineers' craft training 'more needed than maths'

BY MICHAEL DIXON, EDUCATION CORRESPONDENT
SCHOOL LESSONS in crafts are apparently not invited to take even more important than mathematics to successful training...

Nuclear group talks postponed

BY DAVID FISHLÖCK, SCIENCE EDITOR
NEXT MEETING in London energy policy he had promised a meeting of the 11-nation group of nuclear...

Plan to change school's entry system challenged

FINANCIAL TIMES REPORTER
PLANNED CHANGES in the admission procedure of a London grammar school are being challenged in the High Court...

Abel Morrall Limited
PRELIMINARY RESULTS
Year ended 31st December: 1976, 1975
Sales: 5,625, 4,612 + 22%
Profit before tax: 674, 375 + 80%
Taxation: 355, 198

Company bids to go private
By Michael Lafferty, City Staff
UNITED ENGINEERING Industries, a Manchester-based company whose shares were over three times subscribed when it went public in 1970, announced yesterday that it wants to go back to being a private company...

LABOUR NEWS



Picketing toolmakers attempt to prevent a car transporter leaving British Leyland's Castle Bromwich body plant in Birmingham...

Censure bid renews Left-Right battle

BY DAVID CHURCHILL, LABOUR STAFF
THE INTENSE political rivalry within the ranks of the Civil and Public Services Association, which last year flared into open warfare in the courts, is expected to dominate this week's meeting of the union's 26-member executive...

Midland Bank staff hit at delay

BY OUR LABOUR STAFF
MIDLAND BANK white-collar staff may threaten to take industrial action, which could include a work-to-rule, in protest at delays in introducing a profit-sharing scheme for staff...

Union will not support 'jobs for sale' member

LEADERS of the Amalgamated Union of Engineering Workers yesterday closed the file on the 'jobs for sale' case involving a former British Leyland conveyor...

Council men halt work for a day

By Our Labour Staff
COUNCIL WORKERS in East Anglia and the West Country were last night claiming complete success in their one-day strikes against cuts in manpower and services in their counties...

More police favour right to strike

BY OUR LABOUR STAFF
TWO MORE police forces have voted in favour of the right to strike. In Northumbria more than 80 per cent of the 3,000 who voted in a ballot were out in favour and in Nottinghamshire more than 80 per cent of the 2,000 police did likewise...

Working group to discuss print industry

By Our Labour Staff
EMPLOYERS and unions in general printing will set up a working party for regular discussions on the industry's economic performance...

Workers fight takeover bid

MORE THAN 300 workers at the Boute headquarters of Johnsons Group, the cleaners, decided at a meeting yesterday to oppose the \$4.7m takeover bid by Skelchey...

Differentials for foremen

SUPERVISORY STAFF on construction sites are often paid less than the operatives they are supervising, the white-collar section of the 300,000-strong Union of Construction, Allied Trades and Technicians claimed yesterday...

Confidence needed to meet competition

BY OUR GLASGOW CORRESPONDENT
THE ENGINEERING industry main problems facing engineers needed more confidence in its future if it is to meet growing competition from abroad, Sir Monty Finiston, chairman of Sears Engineering, said yesterday...

BBC wants 45 new stations

THE BBC is understood to want another 45 local radio stations. It claims that such a move would cost, in addition to the 20 that exist already, only 60p out of each BBC licence fee...

AERO
Manufacturers of knitting pins, hand sewing needles, handcraft and allied products.
The Annual General Meeting will be held at Clive Works, Redditch on Friday, 1st April at 3.00 p.m.

Tokyo Trust S.A.
Notice of Annual General Meeting
NOTICE IS HEREBY GIVEN that the eighth Annual General Meeting of the Company will be held at Banque de Paris et des Pays-Bas (Suisse) S.A., 1 Riva A. Caccia, 6902, Lugano, Switzerland, on 25th March, 1977 at 11 a.m. for the following purposes:

EMHART
QUARTERLY DIVIDENDS DECLARED
COMMON STOCK
Declared - 2/24/77 \$ .45/share
Payable - 3/31/77
Record - 3/10/77

EMHART CORPORATION
\$2.10 CONVERTIBLE PREFERRED STOCK
Declared - 2/24/77 \$ .52 1/2 share
Payable - 4/20/77
Record - 3/10/77
EMHART CORPORATION
P.O. Box 2730, Hartford, CT

Workers fight takeover bid
MORE THAN 300 workers at the Boute headquarters of Johnsons Group, the cleaners, decided at a meeting yesterday to oppose the \$4.7m takeover bid by Skelchey...

Pit car protest
MINERS AT Bahnhinton colliery in Nottinghamshire are to protest to the National Union of Mineworkers about the cars bought for union officials. The cars bought for union officials. The cars bought for union officials...



## State bank proposed by Labour Treasurer

By Richard Evans, Lobby Editor

MEMBERS OF the Labour Party's National Executive Committee were puzzled yesterday by reports of a plan to create a public sector bank as an alternative to the nationalisation of the major banks and insurance companies favoured by the annual conference.

The scheme, being proposed by Mr. Norman Atkinson, the party treasurer, has not come before any NEC committee and has not been investigated by the Transport House research department.

Mr. Atkinson's proposal is that a State sector bank could be operated on the co-operative principle and seek help from the existing Co-operative Bank. It could be responsible for the funds of the National Enterprise Board and other State institutions.

But left-wing members of the NEC were furious at the suggestion that the wholesale nationalisation of banks might now be dropped. They remain determined to press for the conference commitment to be included in the next election manifesto, even though Mr. Callaghan and Mr. Hesley have publicly expressed their hostility.

## Water Bill in autumn

THE GOVERNMENT intends to introduce its proposed major water industry Bill in the autumn, Mr. Denis Howell, Environmental Minister of State, told a Commons committee yesterday.

# Owen faces angry Tory attack on Europe policy

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE Conservatives launched a bitter attack in the Commons yesterday over the Government's handling of Common Market policy and its failure to bring forward early legislation for direct elections to the European Parliament.

Speaking in the first foreign affairs debate to be held in the House for many months, Mr. John Davies, shadow Foreign Secretary, singled out the Government record on the EEC as the main target for Opposition criticism.

He was replying to Dr. David Owen, who, in his first appearance at the Despatch Box since his sudden promotion to Foreign Secretary, praised the EEC as a "solid buttress of democracy."

Dr. Owen said that the White Paper on direct elections would be forthcoming in the next few weeks. But he warned that if legislation were pushed through Parliament without adequate discussion, it might suffer the same mishaps as the Government's devolution Bill.

He went out of his way to emphasise the need for political unity in the Community if further progress was to be achieved towards economic unity. The Community was an "economic institution with a political future," he said.

This was not good enough, however, for Mr. Davies. He demanded that a Bill to initiate direct elections should be brought forward immediately and declared: "Disenchantment with our country within the Community has never been greater than it is today. It is pitiful to contrast it with the situation five years ago."

He claimed that petty mindedness had been the hallmark of Britain's contribution to the EEC since the referendum. This was demonstrated by our behaviour towards the agricultural policy, the green pound, the dairy problem, the pigmeat problem, our demand for minimum safeguard prices on energy, and our intervention in the North-South dialogue.

All of them were significant of a failure to understand the role that country had to play in the future of the Community. It is deeply disappointing to me and to many others in this country," he went on.

On top of this, there was now the problem of the direct elections. The Government, Mr. Davies said, could not be proud

of the way that Mr. Frank Judd, the new Minister of State in the Foreign Office, had handled the matter in the House the previous day.

He accused Mr. Judd of having shown a "smirking attitude" when he had repeated the British Government's promise to use its best endeavours to get direct elections under way by the Community's target date of May or June next year.

The opposition found this particularly disturbing and Mr. Davies warned that it was no good the Government using the phrase "best endeavours" as a cloak for pusillanimity or inability to act. There was no reason at all to have a White Paper on the legislation. The Government should present the Bill now, he argued.

Mr. Eric Heffer (Lab., Walton), a leading left-winger, intervened to protest that there was no enthusiasm for direct elections, except among "Euro-fanatics." The people were just about as enthusiastic for it as they were for devolution.

Mr. Davies disputed this, and said that if the issue were put to the House at the moment, there was little doubt what the outcome would be. He found it lamentable that the Foreign Secretary talked about the Com-

munity as a buttress to democracy while the Government failed to do something about it in the real sense.

Opening the debate Dr. Owen told the House that progress towards political unity in the EEC had to be considered together with progress towards economic unity. These two aspects moved in tandem and were inevitably linked.

One could not escape the fact that the reason why economically strong countries were prepared to help the less well off, was political.

Over the next five years, the Community had to face the problem of economic divergence between member States. The immediate need was to restore economic growth to the Community in order to establish the basic pre-conditions for a successful policy which would promote convergence.

Therefore, we had to make progress on political unity. Were the present trends to economic divergence, to become even more firmly established, it would present a serious threat to the cohesion of the Community.

The EEC, needed to become more relevant to the lives of the people. To achieve this, we should reinforce national efforts to restore growth and to fight inflation and unemployment. We should avoid butter mountains and the selling off of surpluses to the Russians.

There were some jeers as he added that we could also help by giving people a say through direct elections to the European Parliament. That would be a positive contribution. To be successful, however, the electoral system adopted in each member State must carry conviction and be truly representative.

Some of the problems and difficulties of electing 81 representative members for Britain would become more apparent when the Government's White Paper was published within the next few weeks.

There were shouts of support as he emphasised that such constitutional changes had to be carefully considered by Parliament as a whole. The more agreement that could be achieved now the easier it would be to pass the legislation.

He saw a gleam of hope in Cyprus and the foundation of British security in NATO. He detected new optimism in the Middle East, no suggestion of betrayal in the Falklands; and noted the importance of bridging the Gulf with the under-developed nations.

Nothing new in these perspectives. Nor in his approach to them. "The Government has to balance morality with reality," he asserted. It had to be hard-headed and practical, and seek realistic objectives.

It had to avoid—in the Churchillian phrase indispensable on these occasions—"the mesh, slush and gush."

It was no nifty Dr. Owen conceit, that the direct elections to the European Parliament that he encountered any turbulence. Labour's anti-market MPs took a dim view of his enthusiasm for the prospect of the greater political cohesion which direct elections would bring to the EEC.

Dr. Owen, finding his own feet again, insisted that the Government genuinely intended to "use its best endeavours" to meet the target date for the elections. Labour had its right to cheer at that statement—but welcomed him with applause for his elevation.

# Minister's Callaghan war debut ruled by protocol

BY PHILIP RAWSTORNE

Dr. David Owen's debut as Foreign Secretary in the Commons yesterday was marked more by protocol than political personality. Having risen to the heights of the Cabinet last week, his first survey of the international scene from his new position was diplomatic and disappointing.

Even in the jet age there should be some excitement still in a round-the-world trip. Dr. Owen began it with assurance, calling on the rest of us to show more national self-confidence and ingenuity. Even, as he said, at the risk of sounding jingoistic.

But the Foreign Office brief contains such imperfections as to make the Foreign Secretary continued largely on his way to some bland conclusion. Time was running out in Rhodesia, he said. But he was willing to go anywhere, talk to anyone, to achieve a peaceful settlement.

He saw a gleam of hope in Cyprus and the foundation of British security in NATO. He detected new optimism in the Middle East, no suggestion of betrayal in the Falklands; and noted the importance of bridging the Gulf with the under-developed nations.

Nothing new in these perspectives. Nor in his approach to them. "The Government has to balance morality with reality," he asserted. It had to be hard-headed and practical, and seek realistic objectives.

It had to avoid—in the Churchillian phrase indispensable on these occasions—"the mesh, slush and gush."

It was no nifty Dr. Owen conceit, that the direct elections to the European Parliament that he encountered any turbulence. Labour's anti-market MPs took a dim view of his enthusiasm for the prospect of the greater political cohesion which direct elections would bring to the EEC.

Dr. Owen, finding his own feet again, insisted that the Government genuinely intended to "use its best endeavours" to meet the target date for the elections. Labour had its right to cheer at that statement—but welcomed him with applause for his elevation.

# Minister's Callaghan war debut ruled by protocol

BY PHILIP RAWSTORNE

Dr. David Owen's debut as Foreign Secretary in the Commons yesterday was marked more by protocol than political personality. Having risen to the heights of the Cabinet last week, his first survey of the international scene from his new position was diplomatic and disappointing.

Even in the jet age there should be some excitement still in a round-the-world trip. Dr. Owen began it with assurance, calling on the rest of us to show more national self-confidence and ingenuity. Even, as he said, at the risk of sounding jingoistic.

But the Foreign Office brief contains such imperfections as to make the Foreign Secretary continued largely on his way to some bland conclusion. Time was running out in Rhodesia, he said. But he was willing to go anywhere, talk to anyone, to achieve a peaceful settlement.

He saw a gleam of hope in Cyprus and the foundation of British security in NATO. He detected new optimism in the Middle East, no suggestion of betrayal in the Falklands; and noted the importance of bridging the Gulf with the under-developed nations.

Nothing new in these perspectives. Nor in his approach to them. "The Government has to balance morality with reality," he asserted. It had to be hard-headed and practical, and seek realistic objectives.

It had to avoid—in the Churchillian phrase indispensable on these occasions—"the mesh, slush and gush."

It was no nifty Dr. Owen conceit, that the direct elections to the European Parliament that he encountered any turbulence. Labour's anti-market MPs took a dim view of his enthusiasm for the prospect of the greater political cohesion which direct elections would bring to the EEC.

Dr. Owen, finding his own feet again, insisted that the Government genuinely intended to "use its best endeavours" to meet the target date for the elections. Labour had its right to cheer at that statement—but welcomed him with applause for his elevation.

## Direct elections could bring final Labour split—Gould

BY RUPERT CORNWELL, LOBBY STAFF

A DECISION to go ahead with direct elections to Europe would not only split Labour but might also produce a bad result for Labour, whatever the underlying electoral situation in the country.

Moreover, says Mr. Gould, money from Europe made available to "moderate" and pro-EEC candidates would remove the lack of funds that has hitherto thwarted those who wanted to break up the Labour Party and establish a new Centre-Left grouping. The outcome might thus be the emergence of a new U.K. party modelled on European Social Democrat lines. The document also rejects the argument that direct elections would somehow help to make the Common Market more democratic. Its author points out that with only 81 members out of more than 400, Britain would be in a permanent minority. Its MPs would be unable to protect the country's interests as took the Parliament at Westminster.

Direct elections had more to do with "federalism" than democracy, Mr. Gould claims. Democracy in the EEC would be strengthened by making Ministers from Britain more accountable to the House of Commons than they were now. A directly elected European Parliament would reduce the ability of the Commons to intervene in Community affairs.

## Written Answers

**TREASURY**  
Dr. Edmund Marshall (Lab. Goulet). Why April 6 is the date chosen for the beginning of the taxation year?  
Mr. Dennis Davies, Minister of State. The reason why the tax year runs from April 6 to the following April 5 are primarily historical, and have their origin in the reform of the calendar in 1752, when for public accounting purposes 11 days were added on to the old quarter days. The date was adopted for income tax on re-position in 1842, and has not been changed since then.

Mr. Donald Stewart (Scott. Nat., Western Isles). What is the latest estimate for average household expenditure per week in the U.K.?  
Mr. Dennis Davies. The latest available information relates to the third quarter of 1976 in which it is estimated that average consumers' expenditure per household was about £73.50 a week.

Mr. Colin Shephard (Con. Hereford). Will the Chancellor introduce a special income tax relief for single people between the ages of 60 and 65 years?  
Mr. Dennis Davies. I do not think such an allowance would be justified.

Mr. Robert McCrindle (Con. Brentwood and Ongar). Will the application of VAT be extended to include package holiday tours, and, if so, whether this would apply to the costs attributable to transport or the costs attributable to accommodation or both?  
Mr. Dennis Davies. Value added tax already applies to package holiday tours, the passenger transport element being zero-rated. The costs attributable to accommodation are taxed at the standard rate if in the U.K., but if abroad are outside the scope of our value added tax, although subject to any tax applied by the country concerned.

**PRICES**  
Mr. Harry Cowans (Lab. Newcastle Central). What was the number of applications in the last two years in the Prices Commission to increase prices? How many have been rejected?  
Mr. Ebert Macdonnan, Under-Secretary. 15,823 price increases were notified to the Price Commission between December 1974 and November 1976: 338 were rejected. Many others were modified or withdrawn. Details of notifications by the larger companies which are rejected, modified or withdrawn are regularly given in the Commission's Reports.

**TRANSPORT**  
Mr. Roy Hughes (Lab. Newport). Has the Secretary of State recently considered authorising the sale of any publicly-owned road transport interest to private enterprise?  
Mr. William Rodgers, Secretary of State. No. But under the powers granted by Parliament the National Freight Corporation may sell any part of their undertaking which in their opinion is not required by them for the purposes of their business. Such disposals do not require my prior approval.

## PM studies views on Treasury

BY IVOR OWEN, PARLIAMENTARY STAFF

THE PRIME MINISTER was studiously non-committal when questioned in the Commons yesterday about the influential Treasury views on the direction of economic policy and the use of public expenditure.

Although there might be advantages in changing the machinery of the Treasury, Mr. Callaghan said that this afternoon, he said.

Mr. Callaghan readily volunteered that he had been studying with great interest the evidence in favour of such a change given to the Commons Select Committee on expenditure by his two predecessors, Sir Harold Wilson and Mr. Edward Heath, and by Sir John Hunt, the Cabinet Secretary.

"I will continue to give these matters my full consideration. If I have any changes to propose, I will inform the House," he said.

The Prime Minister was again pressed from the Opposition benches to say what responsibilities of the Chancellor of the Exchequer he had assumed as a result of taking on the role of economic overlord.

Mr. Callaghan replied: "I have taken over no responsibility from the Chancellor, but I am still First Lord of the Treasury." Replying to Mr. Ian

## Inflation rate could fall away if . . .

BY IVOR OWEN, PARLIAMENTARY STAFF

A SUCCESSFUL outcome to negotiations on the third phase of the monetary incomes policy could lead to a big drop in the rate of inflation in Britain, the Prime Minister told the Commons yesterday.

Mr. Callaghan emphasised that this forecast was dependent on a third year of restraint and the consequent beneficial effect on the rate of sterling and the price of imported commodities and raw materials.

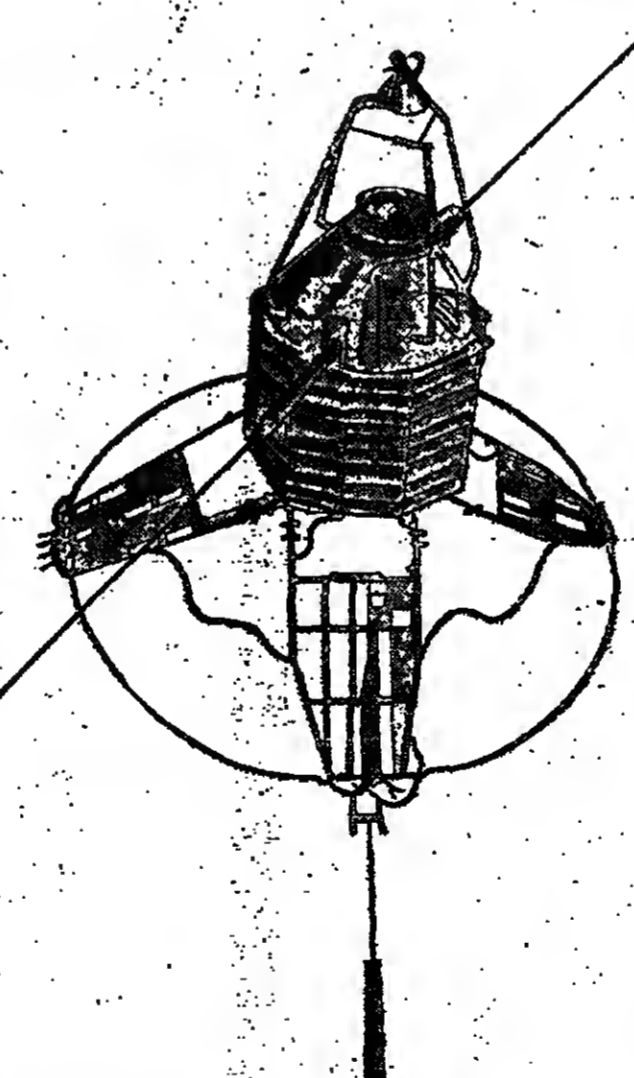
Replying to sceptical questions from the Opposition benches, Mr. Callaghan said he was trying to give the House the most accurate forecast available although he was aware that the need to treat all forecasts with caution.

## Unfair dismissal Bill introduced

A BILL given a first reading in the Commons yesterday is designed to restore recently granted rights to unfair dismissal to people who work sometimes inside, and sometimes outside, the E.R.C.

Its sponsor, Mr. Greville James (Lab., Leicester W.), told MPs that the measure would affect the tens of thousands of people who ordinarily work abroad part of the time. Their rights on unfair dismissal.

HOW ON EARTH DO YOU INSURE A SATELLITE?



Talk to Wigham Poland, of course. It's not just pie in the sky to them. For one of the world's largest insurance broking groups, insuring a satellite is nothing new. You may not have such 'high flying' problems, but whatever your insurance problem is, talk to us and you can be sure of down to earth advice.

**WIGHAM POLAND GROUP**  
INTERNATIONAL INSURANCE & REINSURANCE BROKERS • SHIPBROKERS  
Bevington House, 24/26 Minories, London EC3N 1BY  
Tel: 01-709 0505 Telex: 887501

هككوا منى لاصط

# The Management Page

## INFLATION ACCOUNTING

# Why Morpeth is too revolutionary

BY MERVYN WINDSOR



Mr. Mervyn Windsor, who is group chief accountant of Pilkington Brothers.

WHEN PILKINGTON shares were first offered to the public in 1970 it was necessary to draw attention to the prospectus to the long-established policy of making a contribution to the increased cost of replacement of assets and to the expense of premature replacement.

The continued use of historical costs in inflationary surroundings is misleading and can lead to wrong decisions in vital matters of policy as well as giving the wrong impression of a company's general situation.

Mr. Mervyn Windsor, who is group chief accountant of Pilkington Brothers, says that the company's policy was to make a contribution to the increased cost of replacement of assets and to the expense of premature replacement.

Pilkington, because of capital intensive manufacturing operations, recognised some 40 years ago the need to provide for the ever-increasing cost of fixed asset replacement. By the 1950s the calculations were based on external inflation (replacement) indices, supplemented by internal data on the construction cost of specialised glass-making plant. The assessment of the working life of each asset, taking into account obsolescence due to technological change, has been a key factor in the valuation.

Up to now this fairly simple approach has proved effective and the methods used have been applied throughout the group's worldwide operations. There have been few problems, once the basic plant registers were established. ED 18 seeks comparison with a "modern equivalent asset" taking account not only of material differences in potential output and useful life but also of future operating costs. This is considered to be unnecessarily complicated.

The calculation, if necessary, could be confined to taking account of differences in replacement cost, a past nine months but a satisfactory practical system has been evolved. ED 18, in its attempt to embrace the whole accounting system, has made grants which changes seem frighteningly different in some aspects.

On the other hand, the Morpeth Steering Group is to be congratulated on its realistic approach to deferred taxation. Provisions for deferred taxation should not be required where a future liability is not reasonably foreseeable," it says.

This shows a way through the morass which has grown round this subject, and it is to be hoped that the accounting bodies take note when modifying the standard on the treatment of deferred taxation.

One aspect of ED 18 which might be thought to have considerable impact on Pilkington accounts is the proposed treatment of intangible assets. The Pilkington float licences come into this category and if their value could be established says ED 18, "they should be revalued each year and depreciated through the profit and loss account in the same manner as other fixed assets."

Research and development can be done internally or knowledge can be bought from outside. If bought outside, there is, rightly, no suggestion that on signing a licence agreement the present value of all future royalty payments should be charged in the accounts in the first year.

**Intangible**

If the research and development is done internally, the research expenditure will be written off as incurred, as will the bulk of the development costs because of the uncertainty of the work. However, assuming eventual success, creating an intangible asset. The patent may be exploited by the owners or it may be sold in a lump sum or royalty. ED 18 proposes that if there is reasonable certainty regarding the future income, then it is to be valued and presumably the full sum immediately credited to profits.

In subsequent years the royalty income would be offset by the depreciation of the intangible asset. This would surely be a misleading picture, especially as the valuation in the balance sheet would increase the capital employed.

The disposal of surpluses is inevitably subjective—this has always been the case—and while understanding the auditors' concern, a Napoleonic code is not essential to produce a "true and fair view."

The Sandilands Committee proposed a summary of total gains or losses for the year—the Morpeth Committee opts for an appropriation account.

### Transfers

The latter sweeps up all the revaluation gains and losses and directors are required to justify any transfers out to reserve. The Sandilands approach is to be preferred—and directors could be required to justify the transfer from reserves into profit and loss account those items considered to be distributable. Doubtless it will be a return to the bad old days of reserve accounting. The latter is not considered harmful or misleading provided there is full disclosure. It puts revaluation surpluses direct to their rightful abode as a part of the current cost capital of a continuing business.

ED 18 proposes that the size of a company shall determine when the CCA system becomes mandatory but there have been suggestions that it would be better for CCA to be phased in on a firm-by-firm basis simultaneously in all businesses. This suggestion has much merit but we at Pilkington consider that both the profit and loss account and balance sheet should be adjusted. It would facilitate the early adoption of the essential CCA adjustments to depreciation, fixed assets, cost of sales and stocks which are currently in danger of being submerged by the more controversial features of the exposure draft. A similar approach by the accountancy bodies overseas might avoid conflicting CCA standards which add to the problems of an international group.

### Comprehensive

Simpler proposals which corrected the main deficiencies of historical cost accounting would meet more ready acceptance. A more comprehensive system of current cost accounting (CCA) could grow from a good root stock. Sir Francis Sandilands called CCA "evolutionary rather than revolutionary" but Mr. Douglas Morpeth seems to have opted for a revolutionary upheaval.

The two elements in the accounts of most businesses which it is essential to adjust—depreciation and fixed assets and the cost of sales and stocks—Pilkington Group has for any years revalued fixed assets and adjusted depreciation. Experience on cost of sales adjustments has however been limited. The U.K. operations during the past nine months but a satisfactory practical system has been evolved. ED 18, in its attempt to embrace the whole accounting system, has made grants which changes seem frighteningly different in some aspects.

### Business courses

**The Art of Selling**, Hilton Details from Management Profile, March 10/11. Fee: £25. Brunei University, Uxbridge, Middlesex.

**Management**, RIM Planning, PR Campaigns, Consultation, Management, 16-18. Parker Street, London EC2A 4PT. Fee: £120.75 plus VAT. Details from Frank Jenkins School of Public Relations, 24 Ballards Way, South Croydon, Surrey.

### BUSINESS PROBLEMS

### BY OUR LEGAL STAFF

#### Tax and alterations

I am the owner of a number of residential properties, the rent from which is always spent on alterations and improvements. In one year I had occasion to alter a property to include a bathroom for which a Local Government grant was received. It now appears the Inland Revenue will not allow the total amount paid less grant against the rental account. They wish to charge quite a considerable amount of tax which they state is for capital improvement of the property. Can you clarify the position please?

It has been pointed out to us in connection with the reply last week under Tax on Gifts that the "interests" referred to in the question is not interest and that consequently there is no reason for the brokers to deduct tax at the source. As was stated in Business Problems on December 3, 1975, the misunderstanding results from the Stock Exchange practice of quoting the prices of short-dated British Government (and certain other) stocks on an unusual basis; as explained in the Daily Official List, "the amount payable by the purchaser is the bargain price, plus an amount equal to the gross interest accrued to the date for which the bargain was done (or, in the case of transactions done ex-interest, minus an amount equal to the gross interest accrued from the date for which the bargain was done to the interest payment date)."

#### Salary for a job overseas

I am contemplating taking a job with an international organisation for a period of less than 12 months. Would the salary for such an employment, normally paid net and tax free, be subject to tax when I returned to the U.K.? If liable, would one be entitled to any credit for the notional tax these salaries bear? The extent of immunity from U.K. taxation afforded to officers of international organisations varies according to the office held and the particular organisation concerned. The simplest solution seems to be for you to ask the organisation in question whether it has been the subject of an order in council under section 1 of the International Organisations Act 1968. If so, you can obtain a copy of the statutory instrument from HMSO.

#### Tax on gilts

It has been pointed out to us in connection with the reply last week under Tax on Gifts that the "interests" referred to in the question is not interest and that consequently there is no reason for the brokers to deduct tax at the source. As was stated in Business Problems on December 3, 1975, the misunderstanding results from the Stock Exchange practice of quoting the prices of short-dated British Government (and certain other) stocks on an unusual basis; as explained in the Daily Official List, "the amount payable by the purchaser is the bargain price, plus an amount equal to the gross interest accrued to the date for which the bargain was done (or, in the case of transactions done ex-interest, minus an amount equal to the gross interest accrued from the date for which the bargain was done to the interest payment date)."

**MEMO**  
Don't forget  
For staffing problems  
(Whatever the level)  
in Accounts or Finance  
get in touch with  
**Executemps FAST!**

London: Tel: 01-734 5043  
Birmingham: Tel: 061-831 7641/2  
Glasgow: Tel: 0632 28947  
Leeds: Tel: 0532 44861  
Sheffield: Tel: 0742 78477

Executemps - it all adds up

**20 minutes in the tropics, and you'll feel like a new man.**

Our Patio Caribe is a cool haven to full away the cares of business or the strain of travelling. Just a few minutes with a long drink by our tranquil pool in the shade of tropical palms, and you'll feel like a new man. (Of woman, madam.)

Ready to face the world, refreshed. Stay on, if you like, for a gourmet lunch or dinner in our elegant Colony Room. Or whoop up the excitement in Diamond Lil's authentic Gold Rush saloon, she sings a lively tune every night except Sundays. Or just have a lazy meal by the pool, it's your choice.

And of course, if you decide to stay the night, we've plenty of luxurious rooms.

You'll find us on the A4 Bath Road. Dring on 01-759 2885 anytime.

**Patric Caribe**

### LONDON BUSINESS SCHOOL ONE DAY SEMINAR

**BULLOCK: ISSUES AND IMPLICATIONS**

A one day intensive seminar from 9.00 a.m. - 5.00 p.m. on Tuesday 15 March on the issues and implications of the Bullock report.

Speakers will include Sir Jack Callard and Professor Bill Wedderburn, who were members of the minority and majority groups on the Bullock Committee; Mr Jan Hildreth from the Institute of Directors, Mr David Williams and Mr Alan White, employee divisional directors of British Steel. Fee £75 (including lunch, refreshments and seminar documentation).

Enquiries to Mrs Morna Harwood, London Business School, Sussex Place, Regent's Park, London NW1 4SA. Telephone 01-262 5050.

# If you've never owned a Caterpillar Lift Truck, how do you know you have the best?

**Get the facts from Cat.**

If you change to Caterpillar, you can get more production, less downtime and greater value from your lift trucks.

For instance: 16 Caterpillar M-Series electric lift trucks averaged no less than 97.2% availability during 31,699 service hours. That's a fact.

Before you bought Caterpillar, you'd want more proof, of course. But just consider the broad facts that back our specific claims.

Experience: Caterpillar's own 50 years reputation in machinery building combined with its acquisition of lift truck pioneer, Towmotor, puts a wealth of rugged knowledge behind the current range.

Quality: From pioneering towing trucks in 1919, and introducing one of the first conventional lift trucks in 1933, Caterpillar now manufactures in 11 countries in 19 plants that includes an all new lift truck facility where one out of every 7 men on the production line is devoted solely to quality control.

Engineering: Through heavy investment in research, development and engineering, the company now employs over 4,000 scientists and technicians in research alone to produce trucks that work better, handle easier, last longer.



Product Support: With 23 major parts depots, and 900 service outlets all computer-linked in 120 countries, Caterpillar's local dealer network can keep lift trucks working at peak performance throughout the world.

Range: To cover almost every conceivable materials handling task, Caterpillar offers 46 different models from 2,000 to 60,000 (1,000 to 27,300 kg) with a choice of cushion or pneumatic tyres and diesel, petrol, electric or LP Gas power.

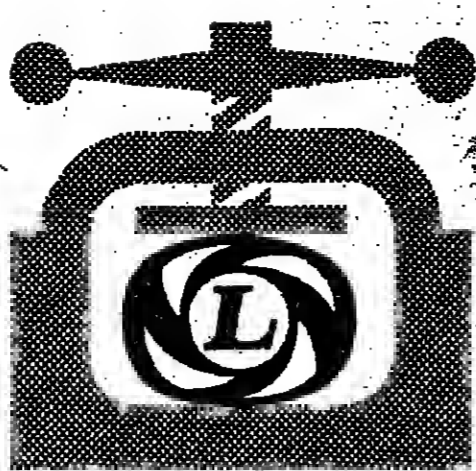
If your trucks don't have the same pedigree, they're probably costing you productivity—and money.

Put it right by calling your Cat Dealer now.

H. Leverton & Co. Ltd.  
Tel: Windsor 68121.  
Bnmaker (Plant) Ltd.  
Tel: Cannon 2551.  
Caledonian Lift Trucks.  
Tel: Airdrie 51111.  
McCormick Macnaughton (N.I.) Ltd.  
Tel: Belfast 59251.  
McCormick Macnaughton Ltd.  
Tel: Dublin 752922.



Head Office Editorial and Advertisement Offices: BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF



The problem of Leyland

BY TERRY DODSWORTH and ALAN PIKE

Table titled 'LEYLAND'S SHARE OF U.K. MARKET' showing market share percentages for various models.

Dividends and investment

THE SHARP RISE in the Beecham share price yesterday morning, a result of mistaken expectations about the implications of the company's new acquisition for the dividend, is yet another indication of the distortions which dividend control can cause in the stock market.

On the one hand, it has increased the pressure on Boards which have more cash than they wish to use for investment to find legal ways of returning it to shareholders. On the other hand, it has stiffened TUC insistence that the present system of control must be maintained as a condition of any deal over Stage Three of pay restraint.

This second effect is particularly regrettable, since union insistence on dividend restraint has a quid pro quo for wage restraint had apparently been diminishing. Even the protests by the GEC unions against the capital proposals seemed to be aimed more at the tax advantages and investment implications of the scheme than at its effect of increasing the return to shareholders.

Euro-Communists meet in Madrid

THE TWO-DAY Communist summit that starts in Madrid today is primarily directed at opinion inside Spain. By openly consorting with the leaders of the French and Italian Parties, the Spanish Party chief, is hoping for further evidence that his followers are not the revolutionary monsters they have so often been portrayed in the past.

For the moment, private Government soundings put the Communist share of the total electorate at no more than seven to eight per cent, and the Communists themselves admit that they are unlikely to do very well in the forthcoming elections. The odium of the Civil War has far from vanished — another factor inducing the Communists to adopt the mildest possible stance.

THE LEYLAND workers have got to realise that they cannot have both their differentials and our money. This comment, made by a seasoned observer of the British motor industry, articulates a view which is gaining wider and wider currency as the present bout of troubles over Leyland wage differentials drags on.

It is because of this, and because the latest bout of trouble follows the well-publicised and much-criticised decision to go ahead with the £250m. investment in the new Mini, that an atmosphere of particular crisis now hangs over the company. How real this crisis is will emerge within the next few weeks. But with every day that passes two questions are being thrown more and more to the fore.

The first is how much longer Leyland can go on staggering from strike to strike with no prospect of a permanent solution to its industrial relations. It is not difficult to recall that the company has been precisely where it is now, struggling with an unofficial dispute while the long-term business of pursuing its investment targets runs into the quicksands, at least three times since the Government-backed rescue scheme was launched.

The second question concerns the wider issue of the company's management. To a degree this is a matter of the credibility of the present team, led at one remove by Lord Ryder, chairman of the National Enterprise Board, which is Leyland's major shareholder. All of the senior men in the Leyland team, including Lord Ryder himself, Sir Richard Dobson, BL's chairman, and Mr. Alex Park, its chief executive, have said time and again that future investment depends on improved productivity. There has been little sign of these improvements so far: yet the investment plans have been kept alive for the last 18 months.

At the same time, the management's failure to make any impact on the crucial area of productivity calls into question the entire Ryder strategy for reconstructing the company. This was based on the concept of keeping Leyland in the volume car business, ensuring that it continued with as broad a range of cars as any company in Europe, and pouring money into a replacement Mini.

Both the questions which are being asked about Leyland today show how deep seated its problems have become. Similar questions were at the centre of the debate about the company's future two years ago, when the

Government stepped in to shore up its failing finances. Before that, they were a continual source of debate in the Government-aided reconstructed company which operated from 1968 to 1975. The group's endemic problems still remain.

Indeed, in some ways, BL's difficulties have accelerated in the past two years. For example, in the crucial home market base, recognised as a talisman throughout the European industry, the decline which began in the mid-1960s has continued unchecked. Last year it plunged well below the 30 per cent mark, and the company is now under serious threat of being overtaken by Ford. Yet one of the arguments put forward by Lord Ryder for supporting the company was its home market

strength. "BL's base in the U.K. is still one of its major strengths," he wrote. "As competition from imports will increase substantially, maintaining this home market share will require a considerable and sustained marketing effort by BL."

In a similar fashion, the weaknesses caused by Leyland's dispersed engineering resources, the proliferation of models and components, and its limited distribution network on the Continent still persist. But the most intransigent problems lie in the company's industrial relations, where the present toolmakers' strike reflects the familiar weakness of unofficial disputes and the defiance of procedure.

Leyland's defence against criticism about its progress so far is that all of these problems take time to solve. Indeed, Lord Ryder made this point very strongly in his report, where he pointed out that the three or four years required to introduce a new model imposed a relatively long time-scale on the

company which was particularly prone, and make them identify with the fortunes of the company. Yet in the toolmakers' case this tactic has patently failed: they have gone off on their own tack, ignoring the national union hierarchy and Leyland's internal procedures alike.

The key to Leyland's short-term future remains in the industrial relations sector. This is because the Ryder strategy is based on the premise of improved productivity: his report envisages Leyland's output rising over the next few years, with manning levels reducing at the same time, and the company beginning to generate more adequate funds internally through its better production record.

MEN AND MATTERS

Israel's political flanker

General Ariel Sharon is perhaps best known for the brilliant flanking movement during the Yom Kippur war which took his Israeli army group across the Suez Canal, behind the Egyptian Third Army and at one stage to within 60 miles of Cairo.

Yesterday he was in London on his way back to Israel from New York to explain the nature and policies of a new political party called Shlomzion which he has formed with the intention of performing what looks suspiciously like a movement to outflank the existing Israeli political structure.

Sharon called Arik by his friends, is a stocky sun-tanned man with silver hair and the kind of large, mobile eyes which give the impression of wrap-around vision. He retired from the army in 1973 and describes himself as a farmer, although in 1975 Prime Minister Yitzhak Rabin appointed him as his security adviser until he resigned last year to start up the Shlomzion translated in Hebrew as "peace" party.

Sharon believes that the existing political system has failed the nation and is concerned at the high emigration rate. It shows that many Israelis, who flock back in time of war, are prepared to die for Israel but not stay and work to reform it. The same parties have been in power for 45 years, blocking the inflow of new blood and new ideas, he said. He claims that Shlomzion is attracting the sort of across-the-spectrum support required to acquire a strategic position between the two major party groups.

Pressures on Biffen

Few politicians can be accused of modesty. William John Biffen, however, has a mere five-and-a-half line entry in Who's Who (against 314 lines for Enoch Powell, who until he quit of Ulster pastures occupied similar Tory ground to Biffen) which leaves his business career poorly charted.

Biffen's surprise decision to resign as Opposition industry spokesman, dismaying to colleagues who have reckoned him a likely candidate for Chancellor one day, has been caused by the strains of political life at Shadow Cabinet level. Biffen is a complex man with a remarkable absence of personal ambition. He has expressed doubts before about his own ability to cope with the demands of life near the top of his party. Interviewed in his Commons office at 8 a.m. yesterday he talked of getting "claustrophobic at the sheer nature of my commitments."

One of the characteristics of regional policy is that individual countries spend much more than the community fund itself on regional development. Giolitti, a former Communist who broke with the party after Hungary and subsequently Socialist Minister for planning in several Italian centre-left coalition governments, is looking for ways to improve the flexibility and co-ordination of regional policy on a community basis. But he certainly does not appear to have picked up any fresh ideas here, and apparently received a much more receptive hearing in Bonn.

Really? Puzzling placard at Cannon Street station advertising the give-away magazine Plain Truth: "ALCOHOLISM - THE ROAD TO RECOVERY."

used than the theoretical standard manpower required. This is partly because of old and outdated plant and machinery and partly because of currently agreed manning levels.

Ryder's case is that the success of the investment programme depends on these productivity improvements. Indeed, a great deal of the resources for the improvement of the company's facilities must come from cash generated internally and dependent upon better productivity. In one of the most important chapters in the report, he writes: "One important area in which assumptions have to be made is the contribution to be expected from the workforce in improving efficiency by agreeing to manning reductions and greater mobility and interchangeability of labour. Over the eight years to end September 1982, a benefit of some £400m. has been allowed for these factors — nearly a quarter of the forecast cumulative profit before interest and tax."

Table titled 'THE EUROPEAN CAR MARKET TOP 8 SHARES' listing car models and their market shares.

This urgent issue of internal cash generation now faces the company with some uncomfortable decisions. It has become quite clear over the last few weeks that the all-important cars group, accounting for well over 60 per cent of the company's total business, has not been achieving any of its targets on this front.

Because of these failures, it is difficult to envisage the capital investment plan funded by the Government going forward on the precise lines drawn up by Lord Ryder. Mr. Gerald Kaufman, Minister of State at the Department of Industry, emphasised this point when he talked in the House of Commons this week of the company "bleeding to death." The Government need not call in an executioner for the company because in effect it was committing suicide.

For the last week the NEB and British Leyland have been agonising over the crisis now enveloping the group's investment plan. They have a number of options, none of them particularly palatable for future action. At the extreme they

Are you a controlling Director of your Company?

If so, do you know that the Finance Act 1970 and 1973 normally permit your Company to arrange Pension and Death Benefits on your behalf up to the following limits:

- 1 A pension at selected retirement age up to two-thirds of your 'final' earnings... (Part may be taken as tax-free cash exceeding one and a half times 'final' earnings).
- 2 A pension to your widow on your death of retirement of two-thirds of your pension.
- 3 A pension to your widow on your death before retirement of two-thirds of your prospective pension, plus a lump sum four times salary (normally free of Capital Transfer Tax)?
- 4 All pensions increasing annually at a predetermined rate of interest?

AND THE COST OF SUCH PROVISION IS ALLOWED AGAINST CORPORATION TAX AND IS NOT ASSESSED AS ADDITIONAL INCOME IN YOUR HANDS?

If you would like further information, write for our leaflet 'Concessions for controlling Directors.'

Alexander Howden Insurance Brokers Ltd Life & Pensions Division

27 Clements Lane, Lombard Street, London EC3A 7TB Tel: 01-623 7680

Overby House, Onslow Street, Guildford, Surrey GU1 4SH Tel: Guildford 31212

With offices at Birmingham, Cardiff, Chelmsford, Glasgow, Liverpool, Manchester and Southampton

Alexander Howden Insurance Brokers A Member of the Alexander Howden Group of Companies

Handwritten note: 50 كذا من اجل



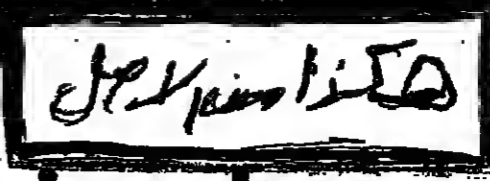








INTERNATIONAL FINANCIAL AND COMPANY NEWS



THE SOUTH AFRICAN PUBLIC SECTOR

Inquest on State involvement

BY RICHARD ROLFE IN JOHANNESBURG

FOR A country which prides itself on being one of the last bastions of capitalism, the South African economy has a surprisingly large public sector. Taking the 10 largest businesses in the country in terms of gross assets, no less than six—the South African Railways and Harbours, which controls South African Airways, ESCOM, ISCOR, the Reserve Bank, the Post Office and the Land Bank—are State-controlled. Just recently, influential voices have been saying that the State, bearing in mind its powers in other areas such as price control over sugar, coal, cement, bricks, steel and so on, has acquired too much influence altogether in what is supposed to be a free market economy. There are signs that the degree of State involvement will be at least monitored more closely in future.

group Sanlam and a director of the private sector to be in- owned consumption and for export, and owns and manages the railway from Sishen to the port of Saldanha, which is the key to the present build-up in ore exports to a planned 28m tons annually. Sale of the Corporation anything like the balance-sheet value of its assets would absorb several years of the discretionary cash flow of local investment institutions. More immediate is probably the sale of the quoted interests of ISCOR itself in local companies. ISCOR holds an 80 per cent interest in the Corporation had a turnover of R800m, and an operating loss of R30m, while the balance-sheet value of its assets was R270m. Apart from manufacturing the whole range of steel products, no more than R22m. at the present 40c, but its asset value is about 130c per share. ISCOR paid 60c for its stake and Dr. Mulder believes the shares are worth more. ISCOR is not prepared to sell at a loss but is ready to receive a realistic offer. An alternative might be to break up the components of Metkor but the only positive step so far in this direction has been last November's abortive negotiations with the Dutch group Verulovne to sell Fowler Holdings, Metkor's 60 per cent owned construction arm. Metkor's record is solid rather than exciting, but ISCOR's steel companies such as Dorman Long and in the engineering sector. With 54m shares in issue, Metkor is capitalised at R270m, but its dividend records of any

Jobannesburg-listed share. This has been largely thanks to rising demand for its manganese ore, which last year showed pre-tax profits of R45m, on sales of R70m, giving one of the best profit margins outside the richer gold mines. But at 800c, Samancor is capitalised at R220m, valuing ISCOR's stake at R100m, and only a handful of institutions could sign a cheque for that amount. So despite the have talk on both sides of industry about the need for State investment, action will probably be limited by the Government's unwillingness to sell cheaply and the private sector's reluctance to buy at anything other than knock-down prices. But none of this is likely to resolve the debate on the proper role of the State in the economy.

loss Land comment... Overseas sales all hits Krupp recovery hopes... Bland almost double... ure seen ttingham... iminary uncement... 197... £7.10... £3.52... 5.60... 11.03... 20.00... 33.00...

Overseas sales all hits Krupp recovery hopes

ADRIAN DICKS BONN, March 7

DRICH KRUPP, the West German steel and engineering giant, has been brightened by the 10 per cent drop in new orders received in the first three months of 1977. This is put down to a temporary lull in demand, mainly for steel and shipbuilding, for 1976 to-day that made the group has not yet recovered its difficulties. In the machinery construction sector, however, orders were pushed down after they had been pushed up by a small amount last year. Krupp said to-day that prospects for 1977 are favourable, although orders were pushed down after they had been pushed up by a small amount last year. Krupp's capital up to DM700m by the end of 1977.

Sales and profits higher at Brown Boveri

NET PROFITS OF BBC AG

Brown Boveri and Cie of Baden, the Swiss parent company of the Brown Boveri engineering group, rose to Sw.Frs.38m last year, in comparison with Sw.Frs.35.1m for 1975. Turnover of the parent company went up 9 per cent over the year to Sw.Frs.1,920m, although the value of orders received was slightly below the 1975 level, at Sw.Frs.1,940m. The Board is to recommend payment of an uncharged dividend of Sw.Frs.50 per Bearer share series "A" and Sw.Frs.10 per Registered share series "B" and per participation certificate.

Philips raises Schneider stake

PHILIPS France SA, part of the NV Philips Gloeilampenfabrieken group, has increased its stake in Schneider radio-television's 31m franc capital to 92 per cent from 86 per cent, the Paris Stockbrokers Association said, according to Reuters. Philips is offering to buy all Schneider shares tendered to it between March 2nd and 29th inclusive at francs 160 per share, the price which it acquired just under 19,900 shares to-day.

Same Lindt payout

THE SWISS chocolate company Chocoladefabriken Lindt Sprüngli of Kilchberg, recommends payment for 1976 of an unaltered dividend of Sw.Frs.90 per bearer and registered share and similarly unchanged transfers to reserves totalling Sw.Frs. 490,000 reports our Zurich correspondent. Net profits rose slightly to Sw.Frs.216m, (2.1m) in 1976 despite a 6 per cent decline in parent company turnover to Sw.Frs. 126.3m. World sales including license income, rose by 4.6 per cent, however, to Sw.Frs. 216m (2.1m) in 1976.

to-day that prospects for 1977 are favourable, although orders were pushed down after they had been pushed up by a small amount last year. Krupp's capital up to DM700m by the end of 1977.

NMB rights plan

MICHAEL VAN OS AMSTERDAM, March 7

MOST pronounced profit in the Dutch banking sector so far came to-day from the continuing major growth of Nederlandse Middenstandsbank, the major Dutch banking for-ten can be expected in the which specialises in ser- near future. The bank added in its state- ment that last year's total revenue had shown an increase of 25 per cent, while expenses went up by only 14 per cent. The addition to the provisions trend of the first half of the year. The bank proposes to the dividend by Sw.Frs.150 to be increased by Sw.Frs.230m. The bank's per share of Sw.Frs.50, risk capital reserves has already paid in plus subordinated loans—has in Sw.Frs.375 in each of the last two years by attracting new invest- ment, will amount to Sw.Frs.625. After profit distribution, it will amount to Sw.Frs.625m, which is up 27 per cent in 37 per cent on the level of a balance sheet totalling year ago.

KF Steel optimism

KENNETH GOODING

STEEL, the steel stock customers during an open day at and engineering products the Newport Paguel headquarters of the Swedish SKF quar- ters. Formation of the division was will double its turnover. The division was early 1970, declared the single most important Robin Read, the managing event since the company's initial set, yesterday. into steel which- ing in- st of which increase will come 1970, and it marks the beginning the recently-formed engi- of a period of further substantial ng products division, which growth. SKF has invested £200,000 in dng SKF's own Lidköping capital for SKF Steel since 1970 jers and borers. and profits have been ploughed 1960—the engineering side back for expansion. It now has ed only in 1970— it will 43 employees, following the addi- tion of 12 when the engineering 's sales. Mr. Read told division was launched.

Domestic Bonds First issue by Quebec

PAULINE CLARK

INVESTMENT of Quebec is shortly problems should be reduced by use its first bond this year. The terms of the issue comprise he Canadian domestic capital for an option to holders when it set. Although a proportion becomes due in 1982 to extend spected to be privately placed maturity by another five years at institutions a public offering 91 per cent, or another 15 years proportion of the issue is at 91 per cent. Initially the issue considered possible carries a 91 per cent coupon rate of 12 per cent, compared with the recent Ontario Hydro bond with the same rate and issue price but the political uncertainties in the province and the a 27-year life. Meanwhile a first quotation is bec paper on the Eurobond expected to-day (Wednesday) on the latest Alberta energy issue ket so far this year. for AEC Bover which is raising it market commentators for AEC Bover which is raising it t out that possible placing \$275m at 91 for 20 years with

Unilever in 1976

The Directors of Unilever announce the Companies' provisional results for the fourth quarter and for the year 1976, and their ordinary dividend proposals. The results are subject to completion of the consolidated accounts and audit.

Exchange Rates: As has been our practice throughout the year the results for the fourth quarter and the comparative figures for 1975 have been calculated at comparable rates of exchange being based on £1 = Fl. 5.43 = US\$ 2.02, which were the closing rates for 1975. Profit attributable to ordinary capital for the fourth quarter 1976 has also been recalculated at the closing rates for 1976 being based on £1 = Fl. 4.18 = US\$ 1.70 which will be used for the Annual Accounts 1976. The results and earnings per share for the full year 1976 have been calculated at the closing rates for 1976. The 1976 figures for the full year are based on the closing rates for 1975. The trends are therefore influenced by the changes in exchange rates during the year. For comparison purposes the trends have also been shown based on comparable rates of exchange.

Table with columns for Fourth Quarter 1976, 1975, Increase, Full Year 1976, 1975, Increase, Closing Rates, and Comparable Rates. Rows include SALES TO THIRD PARTIES, OPERATING PROFIT, PROFIT BEFORE TAXATION, PROFIT ATTRIBUTABLE TO ORDINARY CAPITAL, and Earnings per 25p of capital.

Results—Fourth Quarter In comparison with the very good 1975 fourth quarter sales were up by 12 per cent, more than half of which arose from higher volume. For the quarter, profits in Europe other than the United Kingdom were below those of the corresponding quarter of 1975. Oil milling results were disappointing due to unsettled conditions in the meal market. The cost of introducing new products was a cause of lower profits in detergents in several countries. Sundry foods, animal feeds and the industrial groups continued to improve. Outside Europe, sales and profits were generally good. UAC International also did well. The Year For the year as a whole sales increased by 14 per cent at comparable rates of exchange with volume accounting for 8 per cent. As a result of the fall of sterling during the year the increase in sales and profits is much higher when expressed at 1976 closing rates of exchange. In Europe there was a major improvement in most product groups as compared with the poor results in 1975. However, margins in general are still too low. Results in edible fats and other foods, chemicals, paper, plastics and packaging and animal feeds showed a marked recovery. Frozen foods and ice cream again did well. Our toilet preparations businesses showed further growth. Our two major meat companies continued to make operating losses. These were increased by heavy costs of restructuring in the United Kingdom. In North America results were generally satisfactory. In most other countries outside Europe there was further sales and profits growth. UAC International contributed substantially to the higher 1976 results. Dividends The Boards today resolved to recommend to the Annual

Advertisement for Kuhl Loeb & Co. listing officers: Stephen W. Bershad, Edward N. Globbe, K. E. Michael Handrick, Philip M. Skidmore, Anthony C. Thorne. Also listing offices in New York, Chicago, Dallas, San Francisco, London, Tokyo.

Advertisement for Unilever with logo 'U' and text: Shareholders are reminded that for the purpose of equalising dividends under the Equalisation Agreement the United Kingdom Advance Corporation Tax in respect of any dividend paid by LIMITED has to be treated as part of the dividend. The Report and Accounts for 1976 will be published on 20th April, 1977. Information Division, Unilever House, London EC4P 4BQ.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Montedison shares fall on rights issue news

By PAUL BETTS
ROME, March 1.
MONTEDISON SPA shares fell by 6 per cent. on the Milan Bourse today as an immediate market response to the company's announcement last night of a proposed L392bn. (about £263m.) rights issue.

Broken Hill arranges \$40m. borrowing

By James Forth
SYDNEY, March 1.
BROKEN HILL Proprietary, Australia's largest company, has arranged a \$40m. loan from a syndicate of American banks, only a short period after a large borrowing.

JAPANESE COMPANIES Nichii issue planned

By PAULINE CLARK
THE Nichii supermarket chain of Japan is planning to raise some \$25m. overseas through an equity issue either in the form of European or Continental Depository Receipts, Japanese companies recently market sources in London confirmed yesterday.

Optimism for 1977 at Boise Cascade

FRANKFURT, Germany. BOISE CASCADE expects 1977 to be a better year than 1976, chief executive officer B. Fery said, but he forecast first quarter earnings, reports Reuters.

PKbanken 50% earnings rise

By WILLIAM DULLFORCE
STOCKHOLM, March 1.
PKBANKEN, Sweden's State-owned commercial bank reports a 50 per cent. earnings gain in 1976 to Kr.493m. (£68m.) and an improvement in profitability, which brings it closer to the level of the Swedish private commercial banks.

Philippine finance companies' assets rise

TOTAL assets of the Philippines' seven largest finance companies increased by 40 per cent. to 2,636.7m. pesos (about \$552m.) from 1975's 1,863.4m. pesos (about \$322m.), according to a report published yesterday, AFP-DJ writes from Manila.

Caution on EIB \$150m. issue

By TONY HAWKINS
THE EUROPEAN Investment Bank is to raise \$150m. in the Eurobond market with a three-tranche issue expected to be announced later this week.

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

Table with columns for bond types (STRAIGHTS, FLOATING RATE NOTES, M.D. MARK BONDS), maturities, and prices. Includes entries like 'Acan 5 1/2% 1987' and 'EIB 5 1/2% 1987'.

VOLVO \$35,000,000 Aktiebolaget Volvo 8% Bonds due March 1, 1987. Merrill Lynch International & Co. Svenska Handelsbanken Skandinaviska Enskilda Banken.

Texas Oil & Gas Corp. \$75,000,000 First Mortgage 8 1/4% Bonds, Series G, Due 1997. Kuhn Loeb & Co. The First Boston Corporation. Morgan Stanley & Co. Goldman, Sachs & Co. Merrill Lynch, Pierce, Fenner & Smith.

Table listing various international financial institutions and their locations. Includes entries like 'Alahli Bank of Kuwait (K.S.C.)', 'Arab Finance Corporation S.A.L.', 'Banca del Gottardo', etc.

Handwritten Arabic text: 'مكتبة' (Library)

OVERSEAS MARKETS FOREIGN EXCHANGES

Strong technical rebound

Technical rebound seen in Wall Street... Dow Jones Industrial Average... closed at 1,147.44...

Public Authority Bonds put on...

Public Authority Bonds put on... by the Regulating Authority... Mark Foreign Loans...

NEW YORK, March 1.

NEW YORK, March 1. Banks with major issues up 5 per cent... HONG KONG - Higher in... TOKYO - Lower in very active...

GOLD MARKET

Table with columns for Gold Bullion, Gold Coins, and various market rates.

FOREIGN EXCHANGES

Table showing exchange rates for various currencies like New York, London, Amsterdam, etc.

RIGHTS DRAWING

Table listing rights drawings for various companies and their terms.

OTHER MARKETS

Table listing prices for various commodities like Argentina, Brazil, etc.

OTHER MARKETS

Canada higher... Canadian Stock Markets... were broadly higher...

AMSTERDAM - Pradominantly higher.

AMSTERDAM - Pradominantly higher. Banks, however, were weak... while Transportations mostly rose.

BRUSSELS - Declines outm...

BRUSSELS - Declines outm... Stelco was lower, modest... Utilities, Non-Ferrous Metals...

STOCKS

Table listing stock prices for various companies like IBM, General Electric, etc.

INDICES

Table showing stock indices for NYSE, Montreal, Toronto, Johannesburg.

INDICES

Table showing stock indices for Australia, Belgium, Denmark, Germany, Holland, Hongkong, Italy, Japan, Singapore.

EXCHANGE CROSS-RATES

Table showing cross-rates between various currencies like Dollar, Swiss Franc, etc.

EURO-CURRENCY INTEREST RATES

Table showing interest rates for Euro-currency deposits in various currencies.

SHARES AND BONDS

Table listing share and bond prices for various companies and government securities.

SHARES AND BONDS

Table listing share and bond prices for various companies and government securities.

MILAN

Table listing stock prices for various companies in Milan.

AUSTRALIA

Table listing stock prices for various companies in Australia.

OVERSEAS SHARE INFORMATION

Large table providing detailed share information for various companies across different markets, including prices, dividends, and other financial metrics.

ENTERTAINMENT GUIDE

A case against profit sharing

BY BRIAN COLE

THE ARTICLE by George Cope... already gone too far along the road of irresponsibility...

Level of risk Profit sharing legislation satisfies neither of these criteria and represents unnecessary Government interference.

Objectives Several objectives are desired by proponents of profit-sharing schemes...

Comparison The objectives of the proposed profit-sharing scheme are mixed...

THEATRES OPERA & BALLET THEATRES THEATRES CINEMAS... listing various theatrical performances and cinema listings.

Why has Europe enthusiastically adopted the 20AX colour TV system?

Because this new 110° colour tube system is the most important advance in set design... Mullard logo and product details.

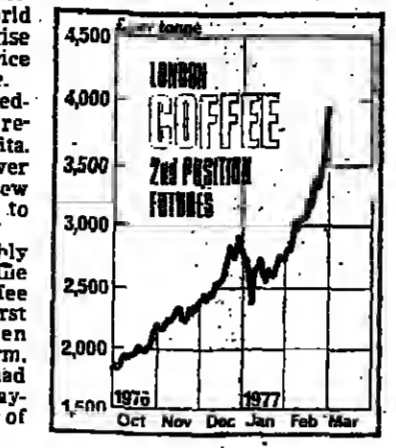


Quarterly review of arm loans

Our Commodities Staff... AGRI-CULTURAL Mortgage... ARMCO is to offer...

Dutch coffee trader fails as values hit new peaks

THE UPSURGE in London coffee futures prices continued yesterday... Dutch trader fails as values hit new peaks...



More lead companies lift prices

By John Edwards, Commodities Editor... U.S. LEAD producers were quick to lead yesterday's price increase...

PAPUA NEW GUINEA Exploiting bright ideas for self-help

PAPUA NEW GUINEA'S ambitious policy of business and industrial development is not surprisingly for a recently emerging nation...

Indian tea output higher

ALTHOUGH the tea-plucking season in north India ended weeks earlier than usual this season, production has surpassed the target of 500m kilograms...

Search for new wool stockpile sites

MELBOURNE, March 1. THE AUSTRALIAN Wool Corporation is looking at sites in Asia for stockpiling wool...

Livestock

The Office of Business Development is putting great emphasis on encouraging the processing of crops and livestock products...

Meat demand will rise next year

AND FOR meat could outstrip supply by the autumn of this year... Meat demand will rise next year...

Restricted

A National Investment Priorities Schedule is published about a year ago... Restricted...

COMMODITY MARKET REPORTS AND PRICES

Table with columns for metal prices (Copper, Lead, Zinc, Tin, Nickel, Silver, Gold) and their respective market prices and trends.

COFFEE

Table showing coffee prices for various origins including Arabica, Robusta, and Liberica.

PRICE CHANGES

Table listing price changes for various commodities such as wheat, corn, and oil.

U.S. Markets

Table showing soybean and silver prices in the U.S. market.

COMPANY NOTICES

THE COLNE VALLEY WATER... NOTICE IS HEREBY GIVEN... COMPANY NOTICES...

RUBBER

Table showing rubber prices for different grades and origins.

WOOL FUTURES

Table showing wool futures prices for various contracts.

INDIA TO BUY MORE COTTON

INDIA WILL hold a buying tender next Monday for about 200,000 bales of short staple cotton...

SOYABEAN MEAL

Table showing soyabean meal prices for different grades.

MEAT/VEGETABLES

Table showing prices for various meats and vegetables.

INDIA TO BUY MORE COTTON

INDIA WILL hold a buying tender next Monday for about 200,000 bales of short staple cotton...

COCOA

Table showing cocoa prices for various origins and grades.

FINANCIAL TIMES

Table showing financial data including interest rates, exchange rates, and market indices.

Is Tin Topp? Should you take profits on coffee? Charts will give plenty of warning.

Advertisement for a financial service offering charts and analysis for tin, coffee, and other commodities.

STOCK EXCHANGE REPORT

Leaders virtually unchanged after late profit-taking Share index down 0.3 at 410.4 after 416.7-Gilts up again

Account Dealing Dates... First Dealing... Last Account Dealings... Official markings... Official markings totalled 7.1cc yesterday as against 6.298 on Monday and 6.145 on Tuesday of last week.

The projected taxation cuts will show through in increased spending... Official markings totalled 7.1cc yesterday as against 6.298 on Monday and 6.145 on Tuesday of last week.

bring the season to a close on Friday, also ended unaltered at 258p, after 262p... Brewers made modest improvement in a light trade despite reports of reduced beer production in January.

and 10 to the good at 189p, after 198p, while W. L. Smith A... did well with a rise to 366p, after 365p. UBS improved 3 to 71p, after 72p, and Motorecar closed 2 harder at 244p.

further consideration of the chairman's statement at the annual meeting, while Gilts... were seen in J. Salisbury, 148p, and Bejan, 101p.

latter closed 4 down at 800p, after 838p, while Shell finished at 510p, after 506p... Royal Dutch continued firmly on overseas influences to 244p, up 1p.



Beecham below best

Beecham were strong for most of the day following Press comment suggesting that the company was seeking means to enable shareholders to participate more fully in the group's prosperity.

FT-Actuaries indices

Following the change-over to calculating the FT-Actuaries share indices on our own computer, slight differences arise between the figures published in the new lay-out and those which appeared in last week's Financial Times.

Table of Financial Times Stock Indices including Government Sec, Fixed Interest, Industrial Ordinary, Gold Mines, and various other categories with columns for Mar, Feb, Jan, Dec, Nov, Oct, and Year ago.

Table of Highs and Lows for various stock categories like Govt. Sec., Fixed Int., Ind. Ord., and Gold Mines.

Table of S.E. Activity with columns for High, Low, and various indices.

to a 1976/77 peak of 105p on the disclosure that George Wimpey, through its subsidiary Second Hamme Investments, has acquired a 12 per cent stake in the group.

Royals please

Royals preliminary profits, which were nearly 23m, above most market estimates, triggered a demand and brought a close of 5 higher at 318p.

Secondary issues fared rather better than the Engineering leaders and eased off fractionally in the late trading.

Stores good again

ICI were unusually subdued and fell 6 to 323p. Plims, however, hardened 3 to 310p ahead of new Tuesday's results and improvement of 6 and 7 respectively were seen in other Chemicals such as Amcor, 50p, and Brent, 118p.

at 167p, after 171p, as were English at 431p. British Land closed a little cheaper at 391p, after 41p; the half-yearly pre-tax loss was much as expected.

Money market appears on Page 19

Tobacco became a backwater yesterday, showing little variation on the previous day's closing levels in a reduced business.

Of its request to deal direct with certain markets outside the Stock Exchange in South Africa and other mining issues, Financials moved into higher ground, shares of 5 were seen in S. Pearson, 131p, and Challenge Corporation, 132p, while Uye Catto improved 3 to 50p.

MONTHLY AVERAGES OF STOCK INDICES

Table showing monthly averages for various stock indices from Feb to Nov.

of its request to deal direct with certain markets outside the Stock Exchange in South Africa and other mining issues, Financials moved into higher ground, shares of 5 were seen in S. Pearson, 131p, and Challenge Corporation, 132p, while Uye Catto improved 3 to 50p.

Money market appears on Page 19

Tobacco became a backwater yesterday, showing little variation on the previous day's closing levels in a reduced business.

of its request to deal direct with certain markets outside the Stock Exchange in South Africa and other mining issues, Financials moved into higher ground, shares of 5 were seen in S. Pearson, 131p, and Challenge Corporation, 132p, while Uye Catto improved 3 to 50p.

MONTHLY AVERAGES OF STOCK INDICES

Table showing monthly averages for various stock indices from Feb to Nov.

Advertisement for Associated Engineering Limited, featuring the text 'TO: AE Stockholders' and details of a meeting on March 3rd.

Advertisement for Apollo magazine, featuring the text 'The world's leading magazine of Arts and Antiques' and subscription information.

Table of Recent Issues: Equities, listing various companies and their share prices.

Table of Recent Issues: Fixed Interest Stocks, listing various bonds and their yields.

Table of Recent Issues: 'Rights' Offers, listing companies and their offer details.

Table of Recent Issues: Active Stocks, listing various stocks and their prices.

Table of Recent Issues: Options Traded, listing various options and their prices.

Large advertisement for FT Actuaries Share Indices, including a table of indices and detailed text about the compilation.

AUTHORISED UNIT TRUSTS

Table of stock prices and market data including 'STOCK', 'LOW', and 'GOLD' sections.

Main table of Unit Trusts with columns for Name, Manager, and various performance metrics.

Table of Overseas Unit Trusts listing international investment funds.

Table of Base Lending Rates for various banks and financial institutions.

Table of Insurance, Property, and Bonds, listing various policy and investment options.

Table of Offshore and Overseas Funds, detailing international investment vehicles.

Advertisement for 'British Limbless Ex-Service Men's Association' featuring a photograph of a man and text about assistance for veterans.

Table of Offshore and Overseas Funds, continuing the list of international investment options.

Table of Offshore and Overseas Funds, providing further details on global investment funds.

CHRISTIE & CO. BAKER STREET LONDON W1 0 484 231. Specialists in the sale of privately owned businesses & companies.

FT SHARE INFORMATION SERVICE

INDUSTRIALS

BRITISH FUNDS

Table listing various British funds such as 'Shorts' (Lives up to Five Years), 'Five to Fifteen Years', and 'Over Fifteen Years'. Columns include Name, Price, Dividend, and Yield.

INTERNATIONAL BANK

Table listing international bank shares including 'Bank of America', 'Citibank', and 'Deutsche Bank'. Columns include Name, Price, Dividend, and Yield.

CORPORATION BONDS

Table listing various corporation bonds such as 'British Railways', 'Electricity Supply', and 'Waterworks'. Columns include Name, Price, Dividend, and Yield.

COMMONWEALTH & FOREIGN BONDS

Table listing commonwealth and foreign bonds including 'Australia', 'Canada', 'India', and 'Japan'. Columns include Name, Price, Dividend, and Yield.

AMERICANS

Table listing American stocks such as 'General Electric', 'IBM', and 'Ford'. Columns include Name, Price, Dividend, and Yield.

CANADIANS

Table listing Canadian stocks including 'Imperial Oil', 'Canadian National Railway', and 'Bank of Montreal'. Columns include Name, Price, Dividend, and Yield.

BANKS AND HIRE PURCHASE

Table listing bank and hire purchase shares such as 'Bank of Canada', 'Hire Finance', and 'Finance Trust'. Columns include Name, Price, Dividend, and Yield.

BEERS, WINES AND SPIRITS

Table listing shares in the beer, wine, and spirits industry including 'Guinness', 'Wm. Scott & Sons', and 'Charles Heidsieck'. Columns include Name, Price, Dividend, and Yield.

BUILDING INDUSTRY, TIMBER AND ROADS

Table listing shares in the building, timber, and roads sectors such as 'Balfour Beatty', 'Woolston', and 'Roads & Railways'. Columns include Name, Price, Dividend, and Yield.

BUILDING INDUSTRY - Continued

Continuation of the Building Industry table, listing various construction and building materials companies.

CHEMICALS, PLASTICS

Table listing shares in the chemicals and plastics industry including 'ICI', 'Imperial Chemicals', and 'Dow Chemicals'. Columns include Name, Price, Dividend, and Yield.

CINEMAS, THEATRES AND TV

Table listing shares in the cinema, theatre, and television sectors such as 'British Electric Theatres', 'Cinema Exhibitors', and 'TV-Share'. Columns include Name, Price, Dividend, and Yield.

DRAPERY AND STORES

Table listing shares in the drapery and retail stores industry including 'Debenhams', 'Woolston', and 'Debenhams Retail'. Columns include Name, Price, Dividend, and Yield.

DRAPERY AND STORES - Continued

Continuation of the Drapery and Stores table, listing various retail and clothing companies.

ELECTRICAL AND RADIO

Table listing shares in the electrical and radio industry such as 'GEC', 'Radio Shack', and 'Telecommunications'. Columns include Name, Price, Dividend, and Yield.

ENGINEERING, MACHINE TOOLS

Table listing shares in the engineering and machine tools industry including 'Mannesmann', 'GEC', and 'Machine Tools'. Columns include Name, Price, Dividend, and Yield.

FOOD, GROCERIES, ETC.

Table listing shares in the food and groceries industry such as 'Wm. Morrison's', 'Sainsbury's', and 'J. Sainsbury'. Columns include Name, Price, Dividend, and Yield.

HOTELS AND CATERERS

Table listing shares in the hotels and catering industry including 'Hilton Hotels', 'Holliday Inns', and 'Holliday Inns'. Columns include Name, Price, Dividend, and Yield.

INDUSTRIALS (Miscellaneous)

Miscellaneous industrial shares table listing various industrial companies.

INDUSTRIALS - Continued

Main section of the Industrial table, listing a wide range of industrial stocks with columns for Name, Price, Dividend, and Yield.

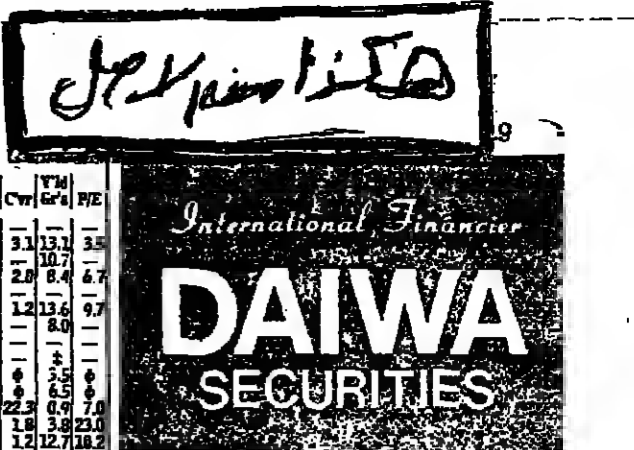
CONVERSION FACTOR 0.7272 (0.7280)

CONVERSION FACTOR 0.7272 (0.7280)

CONVERSION FACTOR 0.7272 (0.7280)

CONVERSION FACTOR 0.7272 (0.7280)

Handwritten scribble at the bottom of the page.



INDUSTRIALS - Continued. Table listing various industrial stocks with columns for Stock, Price, Div, and Yld.

MOTORS, AIRCRAFT TRADES. Table listing motor and aircraft related stocks with columns for Stock, Price, Div, and Yld.

PROPERTY - Continued. Table listing property-related stocks with columns for Stock, Price, Div, and Yld.

STOCKS - Continued. Table listing various stock categories with columns for Stock, Price, Div, and Yld.

TRUSTS - Continued. Table listing trust-related stocks with columns for Stock, Price, Div, and Yld.

MINES - Continued. Table listing mining stocks with columns for Stock, Price, Div, and Yld.

CENTRAL AFRICAN. Table listing Central African stocks with columns for Stock, Price, Div, and Yld.

AUSTRALIAN. Table listing Australian stocks with columns for Stock, Price, Div, and Yld.

TINS. Table listing tin-related stocks with columns for Stock, Price, Div, and Yld.

COPPER. Table listing copper-related stocks with columns for Stock, Price, Div, and Yld.

MISCELLANEOUS. Table listing miscellaneous stocks with columns for Stock, Price, Div, and Yld.

NOTES. Table listing various notes and financial instruments with columns for Stock, Price, Div, and Yld.

TEAS. Table listing tea-related stocks with columns for Stock, Price, Div, and Yld.

INDIA AND BANGLADESH. Table listing stocks from India and Bangladesh with columns for Stock, Price, Div, and Yld.

Notes and disclaimers regarding the data provided, including a reference to 'Recent Issues' and 'Rights' on page 26.

FACTORIES WAREHOUSES 20% Rent Rebates for Ind. Rent Fairview from: 65p PHONE 01-366

Cheverton Workboats built for the job 6m-23m Covers, Isle of Wight, Tel. Cowes 5531 Telex: 89496.

SHIPOWNER TO QUIT U.K. OVER 'COMMUNIST VENDETTA'

Tycoon Tikkoo's tanker stranded

BY JOHN WYLES, SHIPPING CORRESPONDENT

MR. RAVI TIKKOO, the shipowner, yesterday took time off from planning an airborne rescue of his strike-bound tanker at Le Havre to warn that he and his family will be quitting Britain because of a Communist vendetta.

'Buccaneer'

Mr. Tikkoo's determination to go on the offensive brought an accusation from three merchant navy officers unions last night that he was indulging in 'buccaneering' in a fashion more reminiscent of two centuries ago.

Merchant navy unions throughout Europe, acting under the umbrella of the International Transport Workers' Federation (ITF), are anxious to bring pay rates on flag of convenience vessels up to European levels.

that the Filipinos are paid \$300 a month less than the ITF standard. Last night, Mr. Tikkoo produced figures alleging that their wages were 2 1/2 to 10 per cent. higher than for British crews.

Butter export subsidies of £44m. beat ban

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT

THE EMERGENCY measures which the European Commission took late last week on the orders of Mr. Roy Jenkins, its president, to try to halt costs of EEC butter to the Soviet Union, have failed to prevent the issuing of Community export subsidies worth £44m.

This became clear to-day when a Commission spokesman said pre-fixing subsidies for the export of 36,000 tonnes of butter were granted on Thursday and Friday last week.

BRUSSELS, March 1.

rapidly limit the quantities eligible for spot subsidies. But, depending on fluctuations in the world market prices, M. Doumeng may find it advantageous to claim the spot subsidy for at least part of the Soviet order and hold the pre-fixing subsidies in reserve.

According to reports received by the Commission M. Doumeng is seeking butter for export out of current production, rather than from the Community's surplus stocks, which total about 190,000 tonnes.

Bancal rejects bid by Standard Chartered

BY STEWART FLEMING NEW YORK, March 1.

THE DIRECTORS of Bancal Tri-State yesterday rejected the \$130m. offer by the London-based Standard Chartered Bank to acquire its subsidiary, the Bank of California.

Subsequently Standard Chartered Bank said: "While we had obviously hoped for a different outcome we respect the decision. The outcome does not affect our strategy of continuing the

successful expansion in California which we have experienced over the past 10 years nor does it affect our friendly relationship with the Bank of California.

between the building costs of the vessel and the selling price. Details of the price are not being released.

Shell, BP accused over sanctions

BY MARTIN DICKSON

ALLEGATIONS that British Petroleum and Shell have been indirectly involved in breaking an independent investigation of the claims in view of BP's majority public ownership.

Owen gives pledge on EEC poll

By Philip Rawstone

DR. DAVID OWEN, in his first Commons speech as Foreign Secretary yesterday reassured that the Government would do its utmost to meet next year's target date for direct elections to the European Parliament.

\$5m. from aid fund for Scott Lithgow

BY JOHN WYLES, SHIPPING CORRESPONDENT

THE FIRST allocation from the Government's £65m. shipbuilding intervention fund was announced yesterday. Scott Lithgow, on the Lower Clyde, is to receive £5m. to help save a 280,000 deadweight ton super-tanker contract.

New £ index in use

BY MICHAEL BLANDEN

THE POUND allowed little change in foreign exchange markets yesterday as the new index of its value against other currencies introduced by the authorities came into use for the first time.

Callaghan to hold talks on devolution

BY RICHARD EVANS, LOBBY EDITOR

THE PRIME Minister has decided to take part in the initial steps within the next week to salvage the government's commitment to its devolution legislation.

'Petty-minded'

BY JOHN WYLES, SHIPPING CORRESPONDENT

But Mr. John Davies, the Tory spokesman, demanded that the Government should introduce a Bill immediately. "Disenchantment with our country within the Community has never been greater than it is to-day. It is pitiful to contrast it with the situation five years ago."

Weather

U.K. TO-DAY

Table with columns for U.K. TO-DAY, MILD except for Scotland, which will be cold with rain or snow. Occasional drizzle and fog elsewhere.

Lower office rents - we know where they are

FACTS FROM LOB

Table listing office rents in various regions: Greater London, East Anglia, Yorkshire & Humberside, South East, South West, East Midlands, West Midlands, Wales.

Leyland

grivance will recognise that the present pay policy runs out in August, leading to an opportunity for greater flexibility after that.

Continued from Page 1

To-day's debate is bound to raise questions over Leyland's ability to continue on the strict lines laid down in the Ryder Report, on which the Government's reconstruction plan was based, and the need for a stronger commitment to industrial peace by the Leyland workforce.

Business Centres

Table with columns for Business Centres, listing cities and their respective business activity.

Holiday Resorts

Table with columns for Holiday Resorts, listing various holiday destinations.

Mr. Callaghan and Mr. Michael

Parliament, Page 14

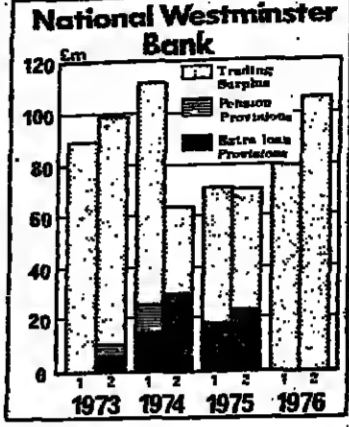
Snow Reports, Page 7

THE LEX COLUMN

Beecham's U.S. expansion

The idea that Beecham had found a way around dividend controls pushed the shares up 30p to 438p at one stage yesterday, so the news of its \$32m. purchase in the U.S. inevitably came as a big anti-climax.

Index fell 0.3 to 410.4



an end around the quarter. And Underwood enough about selling overall. The balance sheet shows an obvious source of funds with net liquid funds at around £400m.

However, the business has a number of brand leaders and its highest single product—the anti-static fabric softener—has around 8 per cent. of a \$800m. market which is said to be growing at 15 per cent. a year in volume terms.

Unilever's 1976 profits are broadly in line with outside targets at £605m. pre-tax, up £277m. About an eighth of the upturn arises from exchange movements which is one reason to anticipate a far less explosive performance in 1977.

Commercial Union liability experience is to be judged in different light following today's news that an all but broke even account during 1976, storm damage of £7m. and a £10m. fire in the business also remained more profitable than with an operating loss of 10 per cent. The total gains during 1976, however, improved 12 points to 10 per cent. and in the general account—8 points below per cent.

NatWest

National Westminster's profits have jumped by 283.4m. to £197.3m. and, as with Barclays last week, the absence of the previous year's £40m. bad debt provision has played a big part.

Unilever

Unilever's 1976 profits are broadly in line with outside targets at £605m. pre-tax, up £277m. About an eighth of the upturn arises from exchange movements which is one reason to anticipate a far less explosive performance in 1977.

BTR

BTR has come up with second rights issue of 18 months, and this, with acquisitions, is to leave equity capital some 20 per cent. higher than at the end of 1974.

Advertisement for Lower office rents - we know where they are. Includes contact information for Lob and details of office spaces available in various regions.